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1914

# THE INDUSTRIAL HISTORY OF MODERN ENGLAND

BY

GEORGE HERBERT PERRIS

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'GERMANY AND THE GERMAN EMPEROR'
'A SHORT HISTORY OF WAR AND PEACE'
'RUSSIA IN REVOLUTION' ETC.

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# INTRODUCTION

THE purpose of this volume is to outline the facts and to interpret the spirit of the economic history of Great Britain in the last hundred and fifty years. The writer believed it to be a useful task to focus within such limits as these a narrative of the social transformation through which the mother-country of industrialism has passed since the invention of the steam-engine; and, from this, he was led on to an attempt to characterise the period, and the main current of thought which the play of economic forces has provoked.

With so vast a subject, and great libraries of undigested evidence challenging attention, it seemed beyond hope to escape all the pitfalls in the way of such an essay. The recent accumulations of statistical material, in particular, must be mastered, their essential results obtained, and the contributory detail then eliminated, like the scaffolding when a building is complete, lest the large outlines be obscured. The writer enjoyed, however, beside the interest of the task, the stimulus of contact with industry and business at several points. Trades translated themselves back out of statistics into terms of flesh and blood.

Machines and tools were found to be strangely associated with types of character, collective and personal, and these characteristics with certain public institutions often credited with a very different origin. The "working-classes" disappeared, and an infinite variety of labouring Britons emerged. Human nature constantly asserted itself against academic formulæ. This experience may, or may not, be reflected in the following pages; but, assuredly, the student is learning little of his country's past who cannot see, behind the abstractions necessary to represent life in the mass, a procession of his own forebears, more or less individual beings like himself, toiling, striving, hoping, suffering—chiefly unlike himself in that they could not look forward into those years which now lie below him like a many-coloured landscape. To these humble dead, and not alone to the conspicuous figures, we owe what we are and have. If such susceptibility can be schooled to the scruples of sound investigation, it will contribute reality to the catalogue of events, and justice to the estimate of persons and movements.

Arnold Toynbee set the example of dating the "Industrial Revolution" between 1760 and 1840, the years in which steam was brought into use in the textile and iron trades, and was applied to land and sea carriage. This treatment left the story of the extension of the factory system in the latter half of the nineteenth century, of Free

Trade, the " rural exodus," the urban " residuum," and the new finance, to appear as a mere sequel; and it necessarily ignored certain other results of the economic process, of which the establishment of political democracy, collective bargaining, compulsory education, old-age pensions, minimum wage boards, and the decline of the birth-rate are, perhaps, the most significant. Thirty changeful years have passed since Toynbee's noble spirit was quenched. Ideas for which he had to fight have become common property; some things against which he fought are now only curious survivals. The " social problem " is not solved; but a gentler, wiser temper prevails on every hand. The Victorian giants are dead, and already much of their noisy warfare is meaningless, except to the student. Nobody now calls himself a disciple of Bentham or Ricardo, who exercised an almost unlimited sway over a yet earlier generation; they are forgotten save by a few pious scholars. Old questions have a complexion that our fathers and grandfathers would not have recognized; new questions have arisen. Alike in material affairs and in the world of thought, we have passed into a period of normal development. Throughout the Western world, the commonalty enjoy to-day, in a degree heretofore unknown, the fruits of social peace. And England, if she has no longer any monopoly of the means to wealth, holds her moral primacy among the nations. Dogma is dissolved; privi-

lege is limited; prejudice is disabled in a day when navvies become poets, and farm-boys live to mould, by consent, not conquest, the destinies of a continent. The sense of "fairplay" is revived. Parties face each other at Westminster, for the task of government could not be fulfilled without them. But the voter does not worship his party; and, behind all the shibboleths, there is a constantly extended ground of common agreement.

This is the historian's opportunity. A phase in the process of time has been completed, a cycle which we can examine, coolly, as a whole. A period has become material for history; that is to say, something more than a day-to-day and year-to-year chronicle has become possible, and we can attempt to group its movements, ideas, personalities according to their total significance. Nothing, indeed, breaks the continuity of human life; but this period of a century and a half does already reveal a unity, a prevailing character, of its own. It is one of the major epochs of disruption and re-settlement which are marked as clearly upon the plane of human history as Alpine blocks upon the level crust of the globe. England has been fundamentally re-made; and from this tiny island seismic waves have passed and are yet passing to the uttermost ends of the earth. The greatest of those governing personages with whom the historians are mainly concerned look small in the perspective of this mighty change.

Its sheer violence overclouds most of our story. The individuals who emerge mimic the tumult of the impersonal forces that drive them on, shouting as the Wagnerian hero must shout through an orchestral whirlwind; while, in the dim background, a multitudinous, indistinguishable chorus cries to the gods for help.

At length, a ray of light breaks upon the field of strife, worse than any war, in which generations of Englishmen have been overwhelmed. In the outset a failing struggle against machines and novel forms of energy, it is seen to become a struggle increasingly successful against the anarchy of unrestrained competition. Wage statistics figure little in the following pages, because it is practically impossible to construct for the whole period a ratio of the innumerable elements constituting an average real wage. But there is abundant evidence, and economists generally agree, that the condition of the labouring masses was not again as prosperous as it had been in the first half of the eighteenth century until towards the end of the nineteenth. At the former point, there still remained something of an English social settlement, an accepted condition of affairs affording the humblest subject a certain security. At the latter point, industrial anarchy and the philosophy of anarchy had become hateful, and the basis had been laid of a re-organization of society which, without injuring the fortunate, will again give a certain security to the humblest

subject of the realm. In the gulf between these points lies our topic.

On closer examination, the industrial cycle appears to fall into three parts—a term of dissolution, lasting from the middle of the eighteenth century to the end of the Great War; a term of stagnation, lasting thence to the middle of the nineteenth century; and a term of slow reconstruction, carrying us into our own time. It is not suggested that every incident and every actor in the immense drama of national development can be covered by this or any other formula. Life is not a Chinese puzzle; and those who protest (as we must do) against the mischief of false abstractions in the past do well to walk warily in this path. It is, however, very unlikely that historical description will ever exert the influence, or its errors work the mischief, that once came of *a priori* philosophizing. Our aim is to state and classify facts, not to deduce eternal and immutable laws. If there be error—if we have wrongly interpreted the enclosure of the common lands, the mechanical inventions, the protective tariff, the system of allowances, the new Poor Law, Trade Unionism, Chartism, Free Trade, the Factory, Health, and Education Acts, the succession of trade crises and popular agitations, or the attitude of parties toward any of these events, correction is easy.

When we pass from the movement of events to the movement of opinion, we are on more

debatable ground. Current thought is too valuable an index of the spirit of a period, and too influential in its affairs, to be left out of account. To speak of the Navigation Acts without naming Adam Smith, of the triumph of *Laisser Faire* in 1834 without some reference to the philosophy of Bentham, Malthus, and Ricardo, of the first rising of organized labour without naming Dickens and Carlyle, of the new social movement of the end of the century without mention of Toynbee and Henry George, William Morris and the Fabian Society—this would be to waste some of the most eloquent evidence of the time. To the extent of some brief passages, the risk of bias must be run. With the earlier thinkers just named, there can be little risk; the others will be regarded as objectively as is yet possible.

It is not by accident that these names fall into three groups, which, in fact, correspond with the triple division of our period just indicated. The classic or orthodox economists hastened and justified the disintegration of what remained of the medieval settlement of English life. Their sincerity is no more to be questioned than their high talents. They as well as any could plead historical necessity. But the fate of the bookish doctrinaire dogged them. No more influential school of philosophy ever existed; yet none has been so extensively discredited in the passage of time. The reason for this remarkable change is to be found in the succession of events presently

to be traced. Their "inexorable laws" expressed a widespread desire rather than a scientific synthesis; when the needs of the nation and its temper changed, the flaws in their ingenious structure appeared plainly, and men turned elsewhere for help. Meanwhile, masses of the people were suffering hunger, cruelty, and neglect. Carlyle and Dickens pre-eminently represent the first puzzled revolt of conscience against these miseries. With the establishment of Free Trade, the lowest depth is passed; and, while the revolution in manufacture and finance is fulfilling itself in one occupation after another, new prophets arise who, much as they differ in their prescriptions, agree in this, that unrestrained competition has proved a curse, not a blessing, and that, somehow, society must be organized, if the greatest good is to reach the greatest number.

From this new starting-point, the characteristic work of the twentieth century is developing, with some such material assets as our appendices exhibit, and others not so measurable—above all, the will to learn, endure, and achieve. The lesson of nineteenth-century industrialism has been a hard one. We may easily make mistakes in interpreting it. There is only one unpardonable mistake. Let no man doubt that the nation which had the strength to pass this test will face without fear the worst the future can reveal.

LONDON, *May* 1914.

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# THE INDUSTRIAL HISTORY OF MODERN ENGLAND

# INDUSTRIAL HISTORY OF MODERN ENGLAND

## CHAPTER I

### THE GREAT DISRUPTION

### I. A New Kind of Tyrant

It is a very old speculation, but not yet altogether unfruitful, why the great revolt of the end of the eighteenth century took place in Paris, and not even a pale copy of it in London. Britons flattered themselves then, and flatter themselves still, on their moderation; this is the favourite answer. "The riots which have taken place in many parts of England and Scotland on account of the high price of provisions"—so opens the *Annual Register* for 1801—"were neither so violent nor so obstinate as they would have been in countries where there is less moderation of character in the people and less confidence in means of constitutional relief." The writer added that "every candid mind was less offended at the commotions of the populace than struck with their forbearance and patience."

It is true that, with all its roughness, there is a quality of moderation in the British nature, which will take many blows if it can keep the sense of "fair play" and "elbow-room." The great

constitutional advances which England had made had undoubtedly entered into the character of the nation. A conservative people in the heart of them, even more than their great-grandchildren are; inured to hard labour and short commons; very ready to follow the Squire, and to see the Calvinist Devil in the uniform of Napoleon Buonaparte, a modicum of personal independence was the thing they prized most. Outright serfdom, still existing over the greater part of Europe, had here faded out four centuries earlier. Internal peace had given, for a century and a half, a stability of social conditions unknown in any other part of the civilized world. The power of monarchy had been effectually limited. The Church was not strong enough to be seriously oppressive. In Parliament, a balance of merchant and landlord had promised some benefit to the third party, the universal worker. Outside, the infant newspaper press could not be silenced. Except in the form of government momentarily achieved, France was far behind the island kingdom in political and economic development. Nothing so old-fashioned as the French Revolution could take place in London.

The flash-point of public anger varies mysteriously; but this much is plain. The oppressor in France was so ancient and decrepit as to have become contemptible; and contempt for the present powers is a strong groundwork for a revolutionary faith. The British people were poor, and almost

voiceless in the State. They certainly could not despise their political governors; but, if the Hanoverian Oligarchy had been as feeble as the Bourbon Court, the real enemy would have remained. It was, indeed, in an atmosphere of free thought, amid strange stirrings of new life, that men saw a titanic arm pierce the blue, take one by one of their hoary instruments and institutions, break them to pieces, and begin to rebuild them with clumsy magic in the huddled streets of industrial cities.

This was no medieval tyrant, foul in familiar ways. Intelligence, even in its lower forms, will command the mass of men; and this thing, the Machine, seemed marvellously to combine the wit of a living being with the inexhaustible, inexorable energy of Nature. Of successful protests there could be but little hope. In the towns, men would quickly decide to struggle for a share of the prodigious wealth that was to come. But England was still mainly rural; and in the shires, amid the decay of patriarchal organization, the elder peasants would dream, if they dreamed at all, in the spirit of Gray's *Elegy*, of a return to the "good old days" when the poor man could own his acre, and manual skill counted, and the son stepped into the father's shoes. Vain regrets! Squire Western junior, a high-farming disciple of Arthur Young, who would not steal the goose from the common, but had no scruples about stealing the common from the poor human goose, was unconsciously recruiting

for his hated rival, the machine-owning capitalist; and, when the village had been emptied into the workhouse, it followed as logically as the deductions of Adam Smith, or the mechanics of his young friend Watt of Greenock, that the workhouse would be emptied into the factory.

Still, this was not the sheer, senseless barbarity to which the nations had been accustomed in the olden days. The greed of the French *seigneur* was as stupid as cruel; the greed of the cotton-lord was directed by lively intelligence, and could assume on occasion a philosophic garb, decorated with the saving virtues, national and personal. The machine-owners had behind them the full force of a State, showing, it is true, little of the efficiency of the steam-pump or the spinning-mule, but still the most perfect of the age. They must be favoured, for were they not to produce the millions needed to bring the Corsican usurper to his knees? London—as preponderant, then, in the life of England as Paris in that of France, and as necessary to any proletarian rising—had been a commercial and industrial city for centuries, had tasted the wealth of the Indies before the rural upheaval began, and knew of old how to keep her lowlier citizens satisfied. It is a piteous story, this of the quick, unprepared, unsoftened transformation of a people's life; and yet there is in it the grandeur and significance of a forward-pointing Destiny. It is full of cruelty and heroic endurance, of adventure and debasement; alike in the wealth

and glory of the few and the misery of the many, it reminds us of the Napoleonic battlefields, though the conscripts of industrialism had no eagles to lead, or drums to cheer, them to the grave. And in the one case, as in the other, our own life is so built upon the results that we can hardly imagine history taking a different course.

## II. The Three Factors

When George III came to the throne, England was far behind Western Europe in many of the elements of civilization. Country life was isolated and stagnant. The towns were ill-built, insanitary, and ill-governed. Transport and travel were hardly better than in the later Roman Empire. The industrial arts were little developed; coal, iron, and steel were known, but little used. Within two generations these conditions were transformed. To understand the process of the remaking of the British nation, we must get the important elements into closer outline and more logical order. In doing so, there are opposite perils to be avoided. The pre-Victorian economists translated the infinitely complex play of wants and wills which is our daily life into an infinitely simple play of abstract factors, wherein a thousand little mistakes cumulated at last into a fatal falsification. The Victorian hero-worshippers wove the facts into a fairy-tale, in which Kay and Arkwright, Watt and Stephenson had brave parts, and Sir Gorgius Midas

made a splendid ogre. This was as false, if less mischievous. It seemed to overstate the case; really it understated it, save as to the inventors, who were, in fact, the servants, not the masters, of the moving forces of the industrial revolution. There is a portion of truth in both extremes, the economic and the romantic; the task of history is to unite them. We must use abstractions, for symbols are necessary to obtain simple statements of complex developments; but, in using them, we must bear in mind that these formulæ stand not for mathematical, but for vital quantities, individuals never twice the same, groups ever changing in their composition, both groups and individuals exhibiting in their variation a tendency which we, in the vague optimism which we have inherited, still call progress.

The conjunction of three main factors was necessary to this radical transformation—(*a*) surplus Capital, (*b*) surplus Labour, (*c*) a new Market. Whenever these major quantities come together, the lesser conditions, such as Invention, better Communications, and a favourable State Policy, will soon appear. There is a world of difference, however, between a happy wedding and a forced union of economic instruments. It is not impossible to imagine a conjunction of the three factors which would proceed amicably, regularly, with little pain, to the general advantage. But few, if any, of the great economic changes known to history answer to that description; and what

began to happen at the end of the eighteenth century in England is as far as possible from deserving it. The experience of a hundred years has abundantly justified the expectation of the founders of the new political economy that a vast increase of national wealth would result from what they called economic "freedom"; but it has failed to realize their prophecy that a higher social harmony would spontaneouly arise. It is a tale of expansion not along a straight, smooth path, but by violent oscillations, involving larger and larger numbers of people, bringing pure gain to few, pure loss to many, a mingling of gain and loss, in which it is hard to strike a balance, to most. Perhaps there was a deep wisdom in the Parisian trinity wherein Equality and Fraternity were linked with the idea of Liberty. A Utopian speculator would say that, had the main agents of the economic transformation met upon more equal terms, the gain would have been greater and the loss less grievous; but then there would have been no such thing as the Industrial Revolution. They were no more equal than the greed of Dives and the need of Lazarus. It was their very inequality that produced their conjunction; and for long the machines which ground out calico or iron rails may be said to have been manufacturing also new forms of inequality between Capital and Labour, and between these partners in production and the Consumer, the Market.

### III. The New Capitalism

The accumulation of mercantile and manufacturing profits had proceeded apace, and with no more than temporary checks, for two centuries. The rapidity with which London was rebuilt after the Great Fire in 1666, and the speedy recovery from the collapse of the "bubble" companies about 1721, are among many signs of the large resources of the rising merchant class. At a time when political influence rested mainly on landownership, there was a natural tendency for merchants to desire to become country gentlemen; and this was stimulated by possibilities of profitable investment which may be traced to the corn export bounty, first added in 1689 to the protective import duties. Of some of the results that followed we shall speak more fully at a later point. The era of scientific agriculture began: new implements, new crops and effective rotation, better breeds of cattle, new buildings and methods of organization, were adopted. Striking successes encouraged the movement, which became more and more capitalistic in character. It tended more and more, that is to say, to the enlargement of farms and the substitution of large managership for small ownership, since, in agriculture as in manufacture, enlargement of the business enables economies to be effected, crises to be weathered, the highest skill to be hired, and sales to be made at the most advantageous time and place. Undoubtedly, the

advance of agricultural science in the later eighteenth century was a national asset, though one dearly bought at the cost of the Enclosure Acts and the Corn Laws.

But it was in trade and manufacture that the most characteristic developments of capitalism occurred. Ever freer access to the Asiatic and American continents brought a multiplicity of fresh commodities, and a corresponding demand for home manufactures to exchange for them. Stimulated by the skill of foreign immigrants, it created new crafts or processes. Stimulated by foreign rivalries, it created British seamanship and a thousand devices of the counting-house. The establishment of the Bank of England in 1694, while entrenching capitalism in the very structure of the State—that was the price we had to pay for the early development of parliamentary control—fostered credit, investment, and insurance, to the general benefit of the nation. In this, as in other ways, England bettered some very ancient examples (let us rather say that *Britain* bettered them, for the full union of England and Scotland was a most important element in the matter Ireland was long to play Cinderella to her unkind sisters). Regular trading with borrowed capital now became possible on a large scale. Joint-stock companies, owning no local ties or customary restrictions, sprang up for the most various commercial purposes as the eighteenth century progressed; and, though they were not yet

organized for manufacture, the uncertainty of distant ventures in a lawless time must have directed many minds toward bolder experiment in home production.

The strong localization of life, outwardly marked by the difficulty and cost of transit and transport, and the remains of guilds and other forms of quasi-medieval regulation, were among the chief obstacles which hindered the enterprising man of means. If his name had not been legion, he would have been longer powerless against this inertia. But medieval conceptions of the good social order were in the article of death. They scarcely breathed, except in the obscurity of the countryside. The British Islands were built by Nature for trade; let there be any considerable growth of population, and the foreign commerce which is fatal to a static and regulated society must follow. The State, as it became able to protect the more usual trading routes, grew more chary of granting the charters and monopolies which had represented its utmost patronage in earlier days. To this extent, commerce was free. There remained risks, obstructions, and losses in this outreaching of national energy almost unimaginable to-day. Seizure of valuable cargoes and vessels was a daily incident of the wars with France. Shipwreck and piracy were common. Smuggling was pursued on a vast scale. Every long voyage was a dangerous adventure. But the profits were commensurate with the risks; and the profits continued to be high when the risks fell,

when marine insurance became customary, and banking facilities removed the more glaring temptations to highway robbery and housebreaking.

Of the policy of the State, it may at least be said that it was less mischievous than that of any rival country. Walpole had aimed above all to stimulate capitalist trading, and had greatly succeeded. Until the later part of the eighteenth century, in agricultural resources the country was nearly self-sufficing; it was against the manufacturers, not the landlords, that Adam Smith directed his sharpest shafts. "By extorting from the Legislature bounties upon the exportation of their own linen, high duties upon the importation of all foreign linen, and a total prohibition of the home consumption of some sorts of French linen, they endeavour to sell their own goods as dear as possible. By encouraging the importation of foreign linen yarn, and thereby bringing it into competition with that which is made by our own people, they endeavour to buy the work of the poor spinners as cheap as possible. They are as intent to keep down the wages of their own weavers as the earnings of the poor spinners; and it is by no means for the benefit of the work that they endeavour to raise the price of the complete work or to lower that of the rude materials. It is the industry which is carried on for the benefit of the rich and the powerful that is principally encouraged by our mercantile system. That which is carried on for the benefit of the poor and the

indigent is too often either neglected or oppressed." [1] The Navigation Acts and kindred legislation penalized the British people, and produced some strange anomalies—for instance, there was said to be, about 1790, some £70,000,000 of capital invested in the West Indian trade, and only £18,000,000 in the East Indian. Yet these laws were unquestionably effective in keeping large populations, during a critical period, in economic subjection to British shippers, traders, and manufacturers. When the policy of monopoly received the crushing blow of American Independence, it was its political sponsors rather than its commercial beneficiaries who suffered. The United States were to be long dependent on the island factory and money market. On the other hand, India, which was to remain politically dependent, did not very long suffer from the sort of rapacity that disgraced British traders in the eighteenth century, and received a clean and regular government nearly as soon as the new manufacturing cities of Northern England.

There is one other chief obstruction to the growth of capital to be noted. Warfare cost heavily, not only at the time, but in permanent debt. Yet England suffered less from war than Spain, Holland, France, or Germany. There is, perhaps, no stranger contrast in the length and breadth of history than that of Germany, under native autocrats, ravaged by war after war—the Thirty Years War (1618–48), wars with France (1672–97), the

[1] *The Wealth of Nations*, Book IV. chap. viii.

War of the Spanish Succession (1701–14), the Silesian Wars (1740–5), the Seven Years War (1756–63), the Revolutionary and Napoleonic Wars—and England, under the strictly limited Hanoverians, enjoying practically unbroken domestic peace. The Whig settlement had many ugly features; this immeasurable blessing overshadows them all. By the opportunity it gave for improvement in agriculture and the industrial arts, and the assurance of social order, security, and legal development, the long maintenance of peace on British soil must be accounted an all-important factor in the accumulation of fluid wealth which gave England a more than military primacy among the nations.

## IV. The Market, and the Inventors

Two factors, of which the one largely determined the early direction of capitalist industry, and the other provided its characteristic instruments, may be briefly noticed before we consider the influence of events upon Labour. For the first time, England came, in the eighteenth century, to depend, to a large extent, upon foreign countries for her markets. The full meaning of this change is not always appreciated. It meant in particular three things. (1) Since England was, by far and long, first in the field, it meant an expansion so rapid that men were intoxicated, and often brutalized, by the possibilities of selfish gain. Customary scruples, for ages sanctified by the Church and enforced by the

State, were thrown off as mere superstition and sentimentality. The plunder of India affords a terrible illustration of this fact; the traffic which for a century carried 20,000 negroes a year into Western slavery is another. When Holland fell out of the race, and France was beaten in India and Canada, native populations numbering hundreds of millions began to be opened to the approach of the English manufacturer; and for many years, while Europe was riven with war, he was without any effective rival. It is this unprecedented opportunity which called the inventors and factory lords into being. (2) It was necessarily a capitalistic expansion, because distant foreign trade could not be effectively exploited on any other lines. A Co-operative Wholesale Society can to-day own tropical estates for the provision of raw material, lines of steamships to bring it home, and factories to work it up. Such a thing was beyond the highest dreams of eighteenth-century enlightenment. Foreign trade had bred fluid capital, because, even in a time of high risks, it gave the largest profits and promised the largest increase. Here neither law nor custom obstructed the play of crude energy in the arts of selling, and every improvement of organization yielded an immense reward. The independent craftsman could not hope to compass such an effort. (3) The character of the new machine trades was largely determined by this new type of market. India, for instance, demanded cotton clothing; it could

take unlimited quantities of very cheap goods. Since cotton does not grow in England, and is of less value than wool in the English climate, it had received none of those embarrassing attentions from Parliament which were reserved for commodities in which grower, manufacturer, and consumer had all claims to protection. This proved another great advantage for foreign trade. Coal-mining and iron-smelting were also recently developed, and very free from restriction; they offered the advantage of abundant native supplies, and they, also, required, in the main, only uniform routine processes to make them marketable.

From the first, therefore, the Industrial Revolution was mainly concerned with relatively low-grade goods, portable and durable, of which the raw material is abundant, which ask little training or special skill in the labourers, are sure of a large and steady demand, and, in an unregulated market, require no consideration except cheapness.

Although many of the inventors were workingmen who created others' wealth, but themselves lived and died in poverty, it is proper to name here the chief steps, before the end of the eighteenth century, in that process of mechanical invention which, by magnifying the business unit, definitely severed the labourer from possession of the instruments of production. These inventions were, broadly, of two kinds—improvement of old tools and the creation of new, and the application to these tools of non-human motive power, first that of running

water, then of steam. Every step must be envisaged, not as something sensationally new, but as a link in a long chain, and as involving other far-reaching changes—improvements of communications (roads, canals, shipping), of banking and market facilities, and so on. Coal was not new; iron was not new; the idea of the steam-engine was not new; Jack of Newbury had a clothing factory in the time of Henry VII, and employed a thousand hands, some of whom he led to Flodden. What was new and fateful was the marriage of these agents under the direction of personal wealth.

Two groups of trades are of supreme importance, and react continually upon each other—the mineral and textile groups. The woollen manufacture had for centuries been the largest and most favoured of national industries; but the chief textile inventions were only very slowly transferred to it from the cotton trade. This fact has usually been attributed to the very insignificance of cotton at the outset, and its consequent freedom from regulation. There is another reason. Supplies of raw wool cannot be multiplied nearly as rapidly as those of cotton, and can never be so cheap. The wool trade, therefore, offered no such possibility of vast and rapid development for low-grade markets. In 1733, Kay patented his fly-shuttle, and in 1738 Wyatt patented his roller-spinning machine worked by water-power; but neither of these inventions seems to have come into use, perhaps because they were not perfected. No

marked advance was made till 1764, when a Blackburn weaver, James Hargreave, made his spinning-jenny, a frame carrying a number of spindles fed by machine, which gave ten times as much yarn as the hand-spinning wheel. Five years later—in the birth-year of Napoleon and Wellington—Arkwright perfected Wyatt's "water frame"; and in 1775 he took out patents for carding, drawing, roving, and spinning machines. By this time, which may be considered the end of the preliminary period, the import of cotton had increased threefold in forty-five years. In the next twenty-five years, it increased nearly tenfold. In 1779, another working spinner, Samuel Crompton, produced a hybrid machine, the "mule," which gave a finer yarn by combining the jenny and the water-frame. Finally, in 1785, Cartwright brought the weaving up to the level of the new spinning process by his invention of the power-loom, first applied to wool yarn.[1]

In the same year, Arkwright's patent expired, and Watt and Boulton made their first steam-engine for a Nottingham cotton mill. It was not successfully applied to the power-loom till 1801. Watt was not the inventor of the steam-engine; indeed, very few of the inventors could hit upon an absolutely new idea. Crude appliances moved by steam had existed for centuries. Thomas Savery had made the first commercially successful steam-pump in 1693. It was very wasteful; and

[1] For a short explanation of these processes, see *post*, pp. 88-92.

Newcomen greatly improved it in 1705. Grandson of a teacher of mathematics, and son of an instrument maker, Watt was prevented from opening a scientific instrument shop in Glasgow by the Corporation of Hammermen, on the ground that he had not served an apprenticeship. He was, however, appointed maker to the University; and in his workshop there he was called on to repair a model of Newcomen's "fire" engine, which had been adapted about 1736 (by Jonathan Hull) for rotary motion. He soon afterwards became engineering adviser to the Carron Foundry. The essence of Watt's first invention (1769) was the condensation in a vessel separate from the steam cylinder; and his later improvements depended on the expansive use of steam. He also invented the "indicator," and many other appliances, and discovered the composition of water, possibly earlier than Cavendish. Watt and his loyal and courageous partner, Boulton, enjoyed their patents, though they had to defend them in costly law-suits, till 1800. The first considerable use of their steam-engine was at pumping in Cornish tin-mines, which were thus given a new lease of life.

We have followed the usual, but hardly the logical, order in our narrative, for the development of the new machinery and the new motive power depended upon coal and iron being brought into their service. Abraham Darby first made iron with coke in 1735; Benjamin Huntsman succeeded in casting steel ingots from crucibles in Sheffield in 1740; and

iron rails were cast at the Coalbrookdale works in 1767. But it was not till the 'eighties that effective smelting was carried on in large blast furnaces, using pit-coal and coke. The building of a cast-iron bridge over the Severn in 1779, and Cort's inventions for puddling and rolling in 1783, may be regarded as opening the iron era. In 1740, there were fifty-nine furnaces using charcoal, with an average annual output of about 300 tons each. Fifty years later, there were eighty-five furnaces with an average output of 800 tons. By the end of the century, the manufacture was definitely transferred to the neighbourhood of the coal beds, and timber had practically ceased to be used for fuel. Yet again, the general use of coal necessitated a general improvement of roads and other communications; and this, in turn, favoured the new capitalist farming. The neglect of the British coal-beds, which were known to the Romans and slightly scratched in intervening centuries, affords, perhaps, the best single illustration of the inertia of medieval life, and the slowness of the awakening to modern opportunities. Early in the eighteenth century, there was an important coal trade from Newcastle by coasting vessels. But it was only when Newcomen's steam-pump and Watt's more perfect engine had made possible the deepening of mines and easier haulage that it was possible to feed the new factories with steam power.

## V. Labour on the Land

There was surplus labour ready by the time steam-driven machinery was ready, and there were ever new stocks of surplus labour for many years afterwards, because the masses of the English people were in process of demoralization, and because a demoralized population breeds quickly. This demoralization arose from a number of very diverse influences, of which we must take two groups first, because of their permanent and far-reaching effects. These are the changes in agriculture which had been proceeding slowly since Elizabethan times, and the changes in domestic industry, especially, but not solely, as associated with agriculture, with certain social changes involved in these.

At the beginning of the eighteenth century, although agricultural enclosure and improvement had been long proceeding, a full half, perhaps more, of the cultivated area—a quarter of the whole area—of England was still held communally. Its fields were tilled, and its meadows, woodlands, and moors were enjoyed, either jointly, or in division by agreement or lot, under regulations of the unit of local government, the court of the manor. The word "common" has come to mean waste land; but, although some of the best lands had then already been obtained in full private ownership by wealthy individuals under one form of authority or another, there was still

enough in common possession to give a real, if meagre security of life to the village poor. The cottagers often owned their humble homes, and small patches of land attached to or near them; they had customary rights, including pasture, turf, and fuel—this last a most important benefit before the days of cheap coal. The absolutely landless man, outside the towns, was exceptional. There might be, in a typical village, say Mr. and Mrs. Hammond,[1] four large, twenty-four moderate, twenty-four small proprietors, and sixty-six cottagers with common rights. In an open-field village, there would be few day labourers without either land or common rights; and "the most important social fact about this system is that it provided opportunities for the humblest and poorest labourer to rise in the village."

The appearance of the capitalistic landlords meant death to this ancient order. They had none of the patriarchal compunctions of the feudal noble; and, since the power of the Crown was effectually limited, they had little restraint to fear. The hand of the Tudors had been heavy upon the people; but it had penalized the conversion of arable into pasture land, and the neglect of cottages and cottage allotments. It had established apprenticeship and a legal relation between wages and prices; it had imposed upon every parish the duty of employing or maintaining its poor. Since 1688, the landlords were

[1] *The Village Labourer*, pp. 32-3.

supreme. Parliament, whether under Whig or Tory management, was their very willing servitor. They controlled the Crown, Church, Judiciary, and local government. Horace Walpole, George Selwyn, and other gossips of the period have left us such naïve pictures of the proceedings at Westminster when Enclosure Bills were in Committee, that the homilies generally accepted at the time by respectable townsfolk about the idleness and naughty insubordination of the commoners can no longer deceive. Another recent writer, Professor E. C. K. Gonner,[1] takes a more conservative view of the subject than Mr. and Mrs. Hammond, and, while admitting "the partial extinction of the yeomen and small farmers," "a temporary pressure on poor relief," a rapid diminution of small independent holders, and an increase of wage work, questions "the accusation of general arbitrary or unfair treatment of the small farmer or the poor owner." The usual conclusion of economic students has been more severe.[2] Between 1700 and 1760, under 200 Acts, 237,845 acres, mainly of common field, and 74,518 acres of waste only, were compulsorily enclosed. In the next forty years, the Acts numbered 2000, and the areas enclosed 2,428,721 acres of common field, and 752,150 acres of waste.

[1] *Common Land and Inclosure*, 1912.

[2] Many contemporary witnesses are cited by Prof. Cunningham in chapters vii. 16, and vii. 3, of his *Growth of English Industry and Commerce in Modern Times.*

Very few of the poor villagers had any effective voice in the process. They were helpless victims. They could not follow the Commissioners through their long inquiries. Few of them had capital enough to work larger holdings. The only real excuse for the men who used their monopoly of political power so ruthlessly lies in the panic fear that famine would succeed where Napoleon could not, unless large-scale agriculture met the need. "By nineteen out of twenty Inclosure Bills, the poor are injured, and some grossly injured," said Arthur Young, in 1801, himself, in earlier years, one of the foremost advocates of the enlargement of estates. It is not denied that the allotments by which the dispossessed commoners were to be compensated were inadequate, and were so saddled with law costs, and costs of fencing and draining (especially before the Consolidating Act of 1801 eased the process), that the recipients were forced to sell out for trifling sums which enabled them to move into town or to emigrate. Dr Cunningham remarks that "the enquiries of the Board of Agriculture embodied in their 'General Report on Enclosures,' published in 1808, appear to be decisive" as to the ruin of many of the poorer inhabitants. The obstinate and violent resistance not infrequently offered to the enclosure of wastes is eloquent of popular feeling; indeed, the whole after-course of events becomes inexplicable if the existence of an immense and extreme grievance be questioned.

It was not only that the humble tillers of the common field were turned into labourers, with no other resource than a daily wage, under a Settlement Law which either chained them to their parishes or forbade them any hope of social aid. The small tenant farmers felt simultaneously the rise of rents, the competition of large farms, and the pressure of increasing poor rates. They reduced labour to a minimum, demolished cottages by way of preventing pauper settlement—"that they may never become the nests, as they are called, of beggar brats," says Arthur Young—and, finally, came to rely upon the monstrous privileges of the Corn Law. Bad seasons in the latter half of the eighteenth century led to violent fluctuations of corn prices; and, while large farmers could gain by speculation, the small men were overwhelmed. "The progress of agricultural improvements left its mark by drawing hard and fast lines of cleavage between the classes in rural society; the smaller farmer who succumbed in the struggle was all the more to be pitied because the labouring class in which he had been merged was entering on a terrible period of privation and degradation." [1]

[1] Cunningham: *The Industrial Revolution*, p. 562. Arnold Toynbee says: "By Eden's time [1795] the practice of eviction had become general, and the connection between eviction and pauperism is an indisputable fact, though it has been overlooked by most writers" (*Industrial Revolution*, p. 80).

## VI. The Transformation of Industry

We must retrace our steps for a moment to a point at which the new forces in agriculture and manufacture meet. The old-time village was the home of many industries. In the first place, the cottagers made clothes, furniture, farm appliances, tools, and other wares for themselves and their neighbours; and there were regular small district trades—thatching, carpentering, saddlery, and so on. Secondly, there were spinning and weaving and frame-work knitting for a wider market, under a transitional system in which the weaver, for instance, sometimes bought yarn from an independent spinner, and himself sold the cloth to a clothier; sometimes worked up yarn belonging to a merchant, who took the cloth in payment. The merchant was the midwife of the capitalist system. In isolated villages, the cloth trade could continue on the old lines; its very wide diffusion through the country seems to have been motived in part by the desire to be independent of the moneyed employer. Where craftsmen were locally concentrated, his control developed; and the introduction of costly machinery put hard pressure upon the independent worker. In the Eastern and Western counties, there was least power of resistance. In Yorkshire, the substantial farmer-weavers were able to adopt both the fly-shuttle and the hand-jenny, and readily did so; it was

only when, about 1794, the cloth dealers began to build factories on a large scale, and with the introduction of steam-power, that domestic industry was definitely doomed.

This is the most familiar, but not, of course, the only, type of the revolution in industry. Some old manufactures, like that of iron, necessarily capitalist in character, were also revolutionized. New trades like gun-making, paper-making, and glass-making, could only be founded by wealthy employers. In other cases, expensive materials or tools were an important factor. Poor men could not easily buy raw silk; and they bought all materials at a disadvantage. In Scotland, the linen manufacture depended upon chartered company banking. We shall see in a later chapter that, while the hosiery trade pursued a more even course than other textiles, a class of employers early rose who owed their profits and power to their ownership of machines which they let out to home workers, rather than to skill of organization or possession of materials. Some of the worst troubles of the eighteenth century occurred in this trade when the practice of apprenticing workhouse children began. The stocking-knitters, to defend their standard of pay, fought to maintain the traditional and legal limitation of apprentices. They failed, and in their despair set an evil and foolish example of machine-breaking, too often to be followed in the next half century.

The principles of *laisser faire* have been so ably

expressed and defended, they so long enjoyed authority in the national thought, that, even now, when their force is spent, it is difficult for us to regard sympathetically the effort of the artisans to maintain the customary regulations. That this effort was long and heroically supported, recent research has made clear; and it is certain that it was based upon what had once been a universally accepted tradition. In their hey-day, the craft guilds embodied the assumption of a common interest of masters, manual workers, and consumers, as well as the interest of the State in the maintenance of social peace. There were always workers who were not embraced in this privileged sphere; still, the guilds set the standard, and that with the full support (perhaps as the agents) of the municipality, and the full countenance of the State. That a living wage should be secured to the workers was as essential to this idea as that the masters should get profit, or the consumers quality and a reasonable price. That every one might hope to become a master was as essential as that every one must first be a servant. All round, a standard of life had to be maintained. As occupations not susceptible of guild organization (transport and extractive labour, for instance) increased, and as, first, the capitalist middleman, and, then, the factory employer broke through the ring protecting the skilled crafts, a totally new conception grew up, challenging the old at every point. We may date

the change, broadly, as occurring between the middle of the seventeenth and the middle of the eighteenth centuries. At first, the opposition was only vaguely realized, but gradually it defined itself—an ideal of individual profit against an ideal of social co-operation. There were good arguments on both sides; but circumstance favoured increasingly the free initiative. The workers saw the hope of rising to be employers fade away, and independent home industry become nearly impossible. They appealed to law: they might as well have appealed to the North Wind. The magisterial assessment of wages seems to have been generally abandoned by 1750; but a new statute was passed for the West of England clothing trade in 1756, and an Act was adopted to enforce wage-rates among the Spitalfields weavers as late as 1773. This was an exception; the social ideal was already defeated, and three years later Adam Smith's great work fell upon ground well prepared to receive the seeds of the doctrine of freedom of contract and *laisser faire*. Amid the terrible suffering of the end of the century, there was, as we shall see, a short-lived revival of the demand for a State-regulated wage, both among agricultural and industrial labourers. The Arbitration Act of 1800 authorized the enforcement of rates fixed by arbitrators for the cotton weavers, but the measure proved inoperative. In 1808, a fresh effort was made, without effect; and in 1813,

the wages clauses of the Elizabethan statute were repealed, in the teeth of working-class opposition supported by many magistrates and employers, and practically at the dictation of Ricardo and other economists.

The unequal battle continued rather longer on the indirect issue of apprentices. The crafts, during the latter half of the eighteenth century, were being flooded with untrained men, women, and children, often brought by premium from the poor-house. With pathetic bravery, the operatives struggled against this competition. No doubt, the Statute of Apprentices was sometimes an obstruction to the improvement of trade processes. But, so long as it held, "the country stood possessed of a great system of general training and technical instruction; great, because whatever were its shortcomings, apprenticeship contributed annually to the wealth of the nation a large number of skilled workmen, and moulded the character of a vast number of English boys, whom it sent out into the world with the ability to keep themselves from want and unemployment." [1] Time was when English life rested upon this base. Every employer had himself had to pass through the seven years' training. It was a conservative regime, unfavourable to the bold innovator, as well as to the unscrupulous and extortionate. Among other social effects,

[1] *English Apprenticeship and Child Labour*, by O. Jocelyn Dunlop, p. 223.

apprenticeship must have been an important influence in postponing marriage, and, so, in limiting the increase of population. The growth of cottage manufactures shook the guild system; the herding of workers into public mills as mere machine-tenders destroyed it. Unfortunately, there was no statesmanship equal to the work of adapting old institutions to new needs. A few exceptional craftsmen might foresee the storm that was coming, and migrate into a more fortunate occupation. The mass of them could but cry, with the sad hymn-writer, "change and decay in all around I see," and bear the suffering they could not avoid. The new machinery did not need highly trained hands to work it; quality either became a negligible matter, or was secured by the perfection of the mechanical process. Apprenticeship continued in a modified form in the trades requiring great manual skill; elsewhere, until the repeal of the Elizabethan Statute, in 1813, it was too often a cloak for sweating and fraudulent indenture.

This was the birthday of Trade-Unionism. There had long been local friendly societies of workmen for sick and funeral benefits, and for the aid of members tramping in search of work. What created Trade Unionism proper was the transformation of associated and regulated into divided and unregulated industry, and therewith the need of some means of maintaining the reward of labour. The average worker had first lost his privileges as a member of a guild, and had then lost his inde-

pendent position as cottage craftsman, by the loss of his common rights and the impossibility of competing with factory machines. If man was not to be a mere commodity, ever cheapening in price like iron or cotton, he must have some sort of defence against a class of capitalist employers who made no pretence to humanitarian scruples. The pioneers were among the West of England woollen workers and the Midland frame-work knitters. Their appeal to the Government was vain; but every failure made the issue clearer and scattered the spirit of combination. There was a classic struggle in the Glasgow cotton trade. At a cost of £3000, the operatives succeeded in getting a wage scale fixed by the magistrates. The employers refused to accept it, and 40,000 weavers went on strike. The movement was broken by the arrest of the whole Strike Committee, and the imprisonment of five of the leaders for terms of from five to eighteen months.[1] At length, the greed of employers was reinforced by political alarm; and, by Acts of 1799 and 1800, all labour combination was prohibited.

The Acts of 1720–25, prohibiting combinations of workmen to raise wages (7 Geo. I, c. 13, among journeymen tailors in London; 12 Geo. I, c. 34, among woollen workers; 12 Geo. I, c. 35, among brickmakers and tilers) had given a foretaste of the ruthlessness of industrial capitalism. The researches of Prof. Thorold Rogers and others show that,

[1] Webb, *History of Trade Unionism*, chap. i.

at that time, the ordinary peasant or artisan could gain no more than a subsistence out of the current wages. By 1750, there was a distinct improvement. Agriculture was still the predominant occupation; much of the land was in the hands of the people; and land and domestic industries together offered a citadel of personal independence, an assurance that town artisans would not be generally underbid by country paupers. Rents and prices were low; the condition of the labouring classes was better than at any time in the near past, and better than it was to be until quite recent years. But, while the first effect of enclosure was to give more employment in fencing, drainage, and building, the second and lasting effect was to reduce the amount of labour needed, and this just when domestic industry was beginning to collapse. At the same time, the small farmer was hit by the rapid rise of rents due to the progress of high farming, and by a succession of bad seasons. It was not altogether a base materialism that led the governing class in this emergency to favour manufacturers by repressing labour agitation, and farmers by making bread dear. Economic ignorance was even more rife than greed for selfish gain. Dark clouds lowered on all the seas; and everything was sacrificed for a full Treasury. War taxes and prices rose together. Thus, it was in the most grievously unfavourable circumstances that the coincidence of rural disruption with the collapse of industrial regulation occurred.

## VII. The Victims: Speenhamland

Poverty and riches were manufactured together. Free competition was now the ideal of everyone above "the lower classes," an ideal preached fanatically, and practised with a cold determination. It was very quickly found that, for many mechanical processes, women and children were as good as men; and the imprisonment and torture of children in factories—the most characteristic form of criminality in the next generation—had become common before the end of the eighteenth century. The adult victims, uneducated, voteless, forbidden to combine peacefully, robbed of the old safeguards, sometimes struck out blindly in retaliation. As early as 1779, a spinning mill of Arkwright's was wrecked. The troops were brought out; pitched battles were fought. A savage criminal code was strained to its worst; on one day, fourteen rioters were hanged. Slowly, despair settled down on the countryside.

Even the last resort of the evicted, the Poor Law, was made an engine of degradation. Its very virtues, in the change of time, became vices. In the great legislation completed in 1601, the duty of finding work or sustenance for the very poor had been expressed, necessarily, in the terms of a static society, a life highly localized, and governed by tradition. Poor relief was drawn from local rates, limited to local residents, and administered by the justices of the peace and parish officers. Doles were general; but the justices could and

did keep down prices, import supplies of corn, buy materials and tools for the destitute to work with, and force farmers and manufacturers, even at a loss, to keep their customary number of hands.[1] It was, after the Civil War, a natural development of this system which, by the Act of 1662, declared that a pauper could obtain relief only from the parish where, by forty days' residence (some other conditions were added in later legislation), he had gained a "settlement." It was only when society was falling to pieces, and freedom of movement had become essential for bread-winning, that it could be said: "There is scarce a poor man in England of forty years of age who has not, in some part of his life, felt himself most cruelly oppressed by this ill-contrived law of settlements." [2]

The fixing of wages by assessment of the justices in quarter-sessions was older still, having been an incidental provision of the Act of Apprentices of 1563. Certainly, it is not to be supposed that the magistrates, themselves employers, would be at any time too generous in the scales of payment they proclaimed. All these arrangements—apprenticeship, wages assessment, and poor relief by settlement—are to be regarded as part of a paternal system of governing a stationary society based on common ownership of the land. Poverty was the lot of the masses [3]; yet it did not commonly

[1] *The Early History of English Poor Law Relief*, by E. M. Leonard.

[2] Adam Smith: *Wealth of Nations*, Book I. chap. x.

[3] King and Davenant, at the end of the seventeenth century,

mean shame and barbarity ; it was greatly softened by custom and religion, and humanized by personal relations. Now, the great landslide had carried away nearly the whole of this structure. Things—money and machines—were in the saddle, and rode mankind. The land had become the landlords', and the abundance thereof. They were not rich on the scale of their latter-day successors ; for there were few coal-mines, great cities could not yet be laid under tribute, safe and lucrative investments were rare, company directorships and stock-exchange gambling were hardly dreamed of. But they held the substance of political power ; they protected their families by strict settlement and primogeniture, and strengthened them by intermarriage with wealthy merchants. Ancient duties sank into abeyance ; noblemen, and even the lesser gentry, spent much of their time and money in London or abroad. Estates were property, farming was a business, like any other. The poor man had no property, no business, and no protection. The King and the Privy Council, who once might have helped him, had been pushed into the background by the Cabinet and the Parliament of landlords and merchants. Apprenticeship was going. The gilds were passing away, or losing all sense of their social purpose. Only relief by settlement,

estimated the number of paupers and beggars at 1,330,000 in a population of 5,500,000. But such estimates are of little value; and Macaulay's deduction from them is merely an instance of early Victorian smugness.

with a half-forgotten power for assessing wages, remained. Settlement, however, meant impossibility of moving in search of the moving work, now largely transferred from the Eastern and Western counties to the North; or, conversely, the search for work involved the loss of the only claim upon poor relief.[1]

The blackest mark against the name of the younger Pitt is not that he blundered in his estimate of the power of France, or that he persisted in drinking too much port, but that he never understood the condition of his own people, and did not seriously attempt to grapple with the gravest problem of the day. The story goes that, during a visit to Halstead in Essex, he embarrassed his host by descanting with satisfaction on the prosperity of the people. On the following day, they took a walk in the town; and the statesman exclaimed, in astonishment, that he had no conception England could in any part present such a spectacle of misery. After emptying his pockets in alms, he returned to London persuaded that something must be done. This was in 1795, when he had been twelve years in power, when financial difficulties were already pressing, when wheat was at 108 shillings, and the King was being received in the streets with cries of "Bread!" and "Peace!" Pitt brought in a perfunctory Bill for the formation

[1] In 1795 some gross abuses of the law of settlement were abolished, the removal of sick persons being forbidden, and the removal of any persons until they had actually become chargeable to the rates.

of "schools of industry," and the supply of cows to the remaining small farmers and commoners. The measure was ridiculed, and withdrawn.

But something must be done. The first half of the eighteenth century had shown the possibilities of a severe administration of the Poor Law. Relief could be refused if applicants would not go into the workhouse, where there was one. Contractors were engaged to farm out the relief, indoor and outdoor. In many parishes the number of cottages was reduced to a minimum so that as few persons as possible might become chargeable on the rates. "There was a regular crusade against the half-vagrant, half-pauper class that subsisted on the commons; and the tendency of the authorities was to treat their poverty as a crime." [1] Repression, however, though it may disperse, does not cure social disease; and this disease of poverty was steadily growing. The administrative reaction centring in Gilbert's Act of 1782, and in what came to be known as the Speenhamland policy, was not mainly, as has sometimes been suggested, due to sentimentality, but grew out of the necessities of the case, in the absence of truer remedies. Gilbert's Act enabled the parishes which adopted it to form themselves into unions for the building of workhouses; the church-wardens and overseers were now only to raise rates, while guardians and justices of the peace directed the work of relief. The Act practically removed the workhouse test, and

[1] Cunningham, p. 578.

encouraged able-bodied men to seek work by promising to supplement their wages by parish allowances. Ten years later, with the problem becoming more and more acute—the annual cost of relief rose in this decade from a million and a half to two million pounds—a feeling had grown up throughout Southern England in favour of a revival of the practice of fixing wages judicially in proportion to the price of corn. The Suffolk justices petitioned Parliament for legislation in this sense; but all authoritative opinion was hostile. Samuel Whitbread, a Radical before Radicalism was possible, introduced a Minimum Wage Bill, but to no purpose. We have seen how Pitt's tardy and inadequate proposal failed. Fox was more sympathetic, but was powerless. Malthus scolded the "gentlemen and clergymen" who countenanced what he thought a revolutionary ideal. Burke declared that wages must be left to find their level, and that "the Squires of Norfolk had dined when they gave it as their opinion that the rate of wages might, or ought to, rise with the market of provisions."

For almost the last time in English life, the country gentlemen took it into their own hands to work a great social change. Speenhamland, near Newbury, now long sunk into insignificance, was then a busy point on the Southampton, Bath, and Oxford coach routes. More than forty coaches passed through it daily; passengers broke their journey at its prosperous hostelries; and in 1802 a theatre

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was built for their pleasure. It was at the Pelican Inn—of which Quinn said it might well be so called "from its enormous bill"—that the Berkshire Magistrates held their famous meeting, on May 6th, 1795. They advised the farmers to increase labourers' wages in proportion to food prices, and, failing this, resolved themselves to make allowances out of the rates in aid of wages upon a regular scale in like proportion, namely, "when the gallon loaf of seconds flour, weighing 8 lbs. 11 oz., shall cost 1s., then every poor and industrious man shall have for his own support 3s. weekly, either procured by his own or his family's labour, or an allowance from the poor-rates, and for the support of his wife and every other of his family 1s. 6d. When the gallon loaf shall cost 1s. 6d., then every poor and industrious man shall have 4s. weekly for his own support, and 1s. 10d. for the support of every other of his family. And so in proportion as the price of bread rises or falls, (that is to say) 3d. to the man and 1d. to every other of the family on every 1d. which the loaf rises above 1s." The example was rapidly accepted; and, in the following year, it was partly endorsed by an extension of Gilbert's Act enabling all parishes to abolish the workhouse test, and to give out-relief to the able-bodied.

Whether this wholesale imposition of pauperism on Southern England was actuated more by misguided pity, by fear of riot and rick-burning, or by desire to evade the insistent demand of the labourers

for a minimum wage,[1] it may never be possible to determine. Toynbee, who thought the problem "might have been solved by common justice in the matter of enclosures," calls it "Tory Socialism." If they have any meaning, the words should imply a serious political idea. There was deliberation enough afterwards, as we shall see; but we may be sure it was crude impulse, rather than political reasoning, that ruled the deliberations at the Pelican Inn. Probably the magistrates could not now have enforced on employers a scale of wages, even if they had wished to do so; and the effort would have had little support at Westminster. The emergency, however, was grave; something must be done at once. That the "dining squires" actually depressed the wages they claimed to desire to raise, that they created poverty more than any Poor Law could relieve, and deepened the degradation which the revolution in agriculture and manufacture had begun, we shall presently show. But their blunders do not justify the scoffs of Burke, the neglect of Pitt, or the pseudo-scientific scorn of the *laisser-faire* economists. Panic, in retrospect, is always a wretched spectacle; and it is difficult now to do justice to the Ministers who suspended *Habeas Corpus* in 1794 and crushed the political societies, or to the judges who sent Palmer, Muir, and other obscure idealists to Botany

[1] There is a particularly interesting manifesto by labourers of Heacham and two other Norfolk parishes demanding a wage scale based upon prices. The attempt to organize a movement of this character broke upon the anti-combination laws.

Bay. To how small a class these fears were limited was shown by their one great failure, the abortive prosecution of Holcroft, Hardy, and Horne Tooke. Government should be, above all, the art of social adjustment. Much as may be allowed for the anxieties of the external crisis on which the nineteenth century dawned, it must be said that, even in the direst emergency, external defence is but one-half of the duty of statesmanship, and that, in a just view, neglect of defence would be no more unpardonable than neglect of domestic welfare by those who hold the seats of power.

## CHAPTER II

### FROM THE FIRST CENSUS TO PETERLOO, 1801–1820

### I. The People are Numbered

For once, the opening of a century marks a real point in the development of a people, for it was in 1801 that the first British Census was taken. In ancient times, social unity was of a quite different kind, and was attained by quite different means, from those of the modern world. It implied efficient control of obedient masses of subjects by a governing class small enough for all its parts to be familiarly acquainted; when this personal intimacy broke down, the State itself was in danger of breaking down. In the Middle Ages, the bond of society was found in local landownership, and its mutual obligations. Everybody knew everybody else in the village; the King was far away, only a greater landowner; the Holy Empire was a splendid myth, a ritual, an ideal, momentarily made fact by some rare superman. The greater dimensions, complexity, and vigour of modern life have called into being, where geographical and historical circumstances are favourable, a new form of social union, the nation—a body of people so large that

personal acquaintance even between all the important persons is impossible, and objective knowledge must be called in as an agent of common feeling.

The workman no longer sees his master; the spinner does not know the weaver; the housewife may not even know when the grain is sown and garnered. The manufacturer can no longer count his own goods, there must be a more or less elaborate "book-keeping"; the pack-horse has gone to grass; the merchant does not cross the ocean, but depends on the reports of travellers and foreign agents. The Minister must take the word of his assistants, who must take the word of the county officers, who, in turn, must take the word of the justices and overseers of the parish. The Bishop has ceased to be a missionary; he is an administrator, the head of a hierarchy. Culture no longer depends upon the aggregation of students in a university, but is every man's heritage in a printed book. Government, trade, education, all necessary to the growth of national life, must all now depend upon impersonal agencies; and the basis of this impersonal relationship is exhibited in the Census.

It is the tacit acknowledgment that every human being counts, that there is this much of divine in human government—that it cannot allow the meanest being born to appear or disappear without the tribute of a modest record. The men who first make it do not realize all its significance; they are chiefly troubled by this idea of Mr Malthus that there are too many people for decency, or

by the rival idea that there are too few people to cope with Napoleon. It would, indeed, be a poor invention all whose uses appeared at first sight. Scoffers say that statistics reduce a man to a cypher; let it be admitted that there is unavoidable loss in the effort to comprehend a complex group of facts by means of an outline expressing an average. There is infinite possibility of their misuse; on the other hand, statistics, truly seen, give man a new value, for, here at least, all are fellows, and all are equal. Implicit in this bureaucratic invention of the Census was the very unbureaucratic idea, slowly and painfully to be realized, that every child born on British soil has a claim upon the nation, and must in turn take, in proportion to his ability, a share of that burden, with all the rights attaching to it. It is idle to lament the passing of the city-republic and the village-community. They have passed; and the essential thing is to procure a corresponding extension of the purview of the State and the mental horizon of the citizen. Personal acquaintance within a small radius continues, too often in the form of prejudice, and is yet influential; casual observation is encouraged to cocksureness by the example of the newspaper. At such a juncture, a spectacled gentleman in an obscure office may perform an invaluable function. What is unique in Smith, Brown, and Robinson is nothing to him; but he shows us what is common to them. For all that is beyond individuality, that is, for all the routine

of social life, he supplies a test of regularity and accuracy, a means to justice. Many years had to pass ere the problems of Government could be strictly measurable; but a beginning was made. And as the art of counting progressed, every branch of science received a stimulus.[1] Political economy was re-born; the science of public health was created; in future, history must be written with not a few respectable protagonists only, but the whole people, in view.

All honour being given to John Rickman, assistant-clerk of the House of Commons, who managed the first three Censuses, it must be said that only a very imperfect beginning was made in 1801. Ireland, although just united to Great Britain, was not included till 1821. The enumeration was carried out in Scotland by the parish schoolmasters, in England by the parish overseers; the prodigality of the poor relief in this unhappy period alone gave the figures the rough accuracy they possess. A feeble attempt to count occupations yielded results of little value; it was not till 1831 that employments were recorded on a considerable scale, and even then the classifications were very imperfect. In 1821, a record of ages was taken for the whole kingdom; in 1841 figures of marriages

[1] A. L. Bowley, *Elementary Statistics*: "The whole doctrine of evolution and heredity rests in reality on a statistical basis." The Statistical Department of the Board of Trade was founded in 1832, the Manchester Statistical Society in 1833, the Royal Statistical Society in 1834, and the Registrar-General's Office in 1836. But it is significant that in 1901, in publishing his *Elements*, Mr Bowley had to observe: "There seems to be no text-book in English dealing directly and completely with the common method of statistics."

and deaths were also available, and a firm basis for future calculations was laid by the working of the registration machinery.

The population of Great Britain in 1801 was 10,942,000. Ireland would give rather more than five millions, making about sixteen millions for the United Kingdom. By way of comparison, it may be said that the population of France (within its old frontiers) was then about 26½ millions, and that of the United States (free whites only) about 6½ millions. The British people were increasing at a very rapid rate [1]; that much is certain, though exactly how rapid a rate, or how constituted —whether chiefly by rise of births, or by fall of deaths, or by immigration—cannot be accurately determined. There are reasons for thinking that, while there must have been a slight fall of the death-rate, due to glimmerings of education and sanitation, more varied food, and better clothes, at the end of the eighteenth and beginning of the nineteenth centuries, there was probably a rise, more marked than the contemporary estimates show, in the birth-rate, due to the destruction of the old static life, the demoralizing effect of the poor-law, and the temptations of child employment. The redistribution is even more remarkable than the increase of population. London continued to hold her own pre-eminence in the national life; otherwise, there was nothing to compare with the rise of the industrial districts of the North.

[1] See Appendix I.

In 1820, Lancashire had a million people, and the West Riding of Yorkshire over three-quarters of a million. Glasgow, Edinburgh, Manchester, and Liverpool exceeded 130,000, and Birmingham 100,000. Bristol, Leeds, Sheffield, Wolverhampton, Newcastle, Nottingham, and Bradford followed. It will be noticed that, in this list of thirteen cities, there are five great ports, three of which faced, not the old Continent, but Ireland and the New World.

Ireland occupied the most lamentable place in the family picture. For centuries subjected to every variety of oppression, her agriculture drained to feed absentee landlords, her industries deliberately crippled to appease British jealousy, the Parliamentary independence conceded in alarm in 1782 had now been withdrawn, by a procedure shockingly compounded of corruption and naked force. The break-up of the clannish organization in the Highlands after the '45 had involved misery, though on no such scale; but, while Scotland and England suffered from the impersonal forces of social evolution, and in due time reaped large reward from the change, Ireland was the victim of sheer human hatred and tyranny. The results are marked deeply upon the history of the United Kingdom throughout the century. In 1821 the population of Ireland was 6,801,800 (more than half as large as that of England and Wales, and over three times as large as that of Scotland). For twenty years after the Union, she paid for her own costs of government and debt (the latter rose from

2¼ millions in 1793 to 113 millions in 1817), and two-fifths of the general expenses of the United Kingdom. Between two dreadful famines in 1817 and 1847—on the latter occasion, a million people died of starvation—there were many lean years. Nevertheless, the population increased up to the time of the Potato Famine. The Census of 1851 first showed a decline; and this has continued steadily to the present day. The depopulation of Ireland, its constant poverty and intermittent rebelliousness, its melancholy share in a stream of emigration which carried overseas eleven million souls in sixty years, enriching American life while it was filling English slums,—all this constitutes a tragic factor in our subject to which no sort of justice can be done here, but which must by no means be overlooked.

## II. In the Shadow of War

There is one occupation of the British people during the first fifteen years of the century which must take precedence of others in our consideration, not that it engaged the largest number of any, but because it and its results governed and overshadowed all other natural activities. At the opening of the great war, in 1793, the army and navy counted together scarcely a hundred thousand men; before its close, England was maintaining nearly a million men under arms, probably a fifth of the entire adult male population, and was carrying a burden of expenditure and debt for which

previous history could afford no parallel. We strike into the story of this titanic struggle at the lucid interval when the Peace of Amiens was negotiated, when the festival of the guillotine was a fading memory, and it seemed possible that First Consul Bonaparte might rest content with the laurels of Marengo.

People prayed it might be, prayed with all the piety of exhaustion. The English are slow pupils, astonishingly loyal to incompetent masters. The Corresponding Societies' Act of 1800, the last of a series of repressive measures, had completed the suspension of all constitutional guarantees of personal liberty; and this was not the most incredible of the things the people had undergone at the hands of William Pitt and his sovereign. When these two fell out over Catholic Emancipation, the half-mad King obstinately refusing to fulfil the pledge of honour to the Irish by which the Union had been obtained, Addington, an admitted second-rater, was dumbly accepted. Nobody cared about the Union, except those who had been paid to vote it; and nobody could pretend to care much for the honour of a Ministry and a Parliament built upon corruption and privilege, and now exercising a quite arbitrary power. The cession of all the conquests of the war (except Trinidad and Ceylon) went for nothing: "The Cape of Good Hope!"—we may imagine one of the Spitalfields weavers exclaiming—"a pretty name, but give me a loaf of bread!" Napoleon had not yet

become the grand obsession of Europe. Nelson's exploits at Aboukir Bay and Copenhagen had wiped out the unhappy memory of the Nore and Spithead mutinies; and the raft-lumber at Boulogne, while it kept a good many fussy persons occupied on the South Coast, could not produce a real national alarm. There is an anæmic sort of common sense in such a time; but we must not look for active political intelligence. Hunger kills the political spirit, and even pales the light of patriotism. The best we can say is that, desperately desiring peace, London would not gag the scribblers and caricaturists who provoked the Dictator of Paris to such strange tantrums.

Pitt, in his retirement, observed complacently that Jacobinism in England was checked. No one had a better right to flatter himself on this result than the man who had five times raised the taxes on spirits and tea, who had taxed glass till the windows were built up, who had taxed sugar and salt, timber, bricks, tiles, stone, and slate, hats and hair-powder, sea-insurance and convoys, horses and dogs, parcels by coach and canal, clocks and watches, newspapers and advertisements, houses and the servants in them, and who had failed only in his efforts to tax gloves and mittens, the registration of births and marriages, and the modest handmaiden of the middle-class. Never have the possibilities of tax-gathering been so luridly illustrated. "The school-boy whips his taxed top"—but we need not complete the hackneyed quotation

of Sydney Smith's satire. The only merit of this finance was that it hit everybody; and Pitt's progressive income-tax covers a multitude of sins. Only a measure of equality in sacrifice was wanting. The Earl of Warwick told his fellow Peers that farmers were making 200 per cent. profit, that some of them "could afford to play guinea whist, and were not contented with drinking wine only, but even mixed brandy with it." This sounds spiteful. It is certain, however, that the masses of the people had endured to the last point. In January 1801, after two bad harvests, wheat was at 137s. a quarter, and the use of unmixed wheat flour was forbidden. In March, it reached 153s. In course of debates at Westminster which often bordered upon the silly, and even the frivolous, Pitt argued that "war of itself had no evident or necessary connection with the dearness of provisions"; to which Sheridan replied that the 300,000 men in the army and navy were consuming four or five times as much as so many men in time of peace, and that, if war were not the cause of high prices, then the outlook was, indeed, deplorable.

After the proclamation of the preliminaries of peace, in fact, the price of wheat fell till it reached 68s. in December. Could there be better reason for fire-works in Cheapside, triangles of tallow candles in the windows of Fleet Street, and illuminated pictures of Napoleon and George III in Pall Mall? There had been food riots of a half-hearted kind in Birmingham, Nottingham, Coventry,

Norwich, Sheffield, and Worcester—towns where machinery was taking away more work than it gave. Whether from ancient prejudice, or by design of men who knew better, these disturbances were nearly always directed against "forestallers and regrators"—exponents of the art, once a crime, now a virtue,[1] of buying cheap and selling dear. Gangs of roughs had broken windows in Mark Lane and the Borough, and had been easily dispersed (there being still no nearer approach to a Metropolitan Police than the watchmen and the Bow Street runners) by parties of Volunteers.

Is there a moderation even in British hooliganism? Or were the hungry cowed by thought of the frightful punishments which then took the place of a good police and a just bench? In no other country, according to that chivalric and far-sighted lawyer, Sir Samuel Romilly, were there so many capital offences; they numbered over two hundred varieties, including cutting down young trees, shooting rabbits, sheep-stealing, damaging Westminster Bridge, appearing disguised on a public road, and stealing property valued at five shillings. Only, perhaps, a quarter of such sentences were carried out; but intimidation was openly held to be the best way of preventing crime, and the bench of Bishops was agreed in

[1] "It is, of course, plain that whatever tends to the husbanding of resources and to the equalization of prices is really advantageous, and that the corn factors, in carrying out the law of supply and demand, were a most useful set of men" (Bright's *History of England*, iii. 1229).

rejecting the answer that a mild but certain punishment would be more effective.[1] Between 1805 and 1818, there were more than two hundred executions for forgery alone.[2] Of the horrors of transportation and of incarceration in gaols which were rightly called universities of crime, of the prevalence of duelling and brutal sports, it is not necessary to speak here. The reminder will suffice that we are considering a time when violence and dishonesty were common not only in the lowest, but in all levels of society. At the bottom, they were the fruits of poverty and ignorance; and there is evidence that they increased rapidly during the war, and slowly for some time afterward.

After a year and a half of retrenchment and resumed trade with France, Addington replied to Napoleon's quarrelsome messages with a declaration of war, in May 1803; and there was no more peace till Waterloo. The income-tax was reimposed at 5 per cent., with exemption up to £60, and abatement to £150. Large bodies of Volunteers were formed; and Robert Emmet's boyish attempt at "insurrection" in Dublin divided with the Boulogne camp the attention of the scaremongers. In May 1804, Napoleon declared himself Emperor, and Pitt was recalled to office. A fifth addition was made to the wine duties; the port duties were increased by 12½ per cent. On May 24th, William Cobbett was tried, found guilty of

[1] Smart: *Economic Annals*, 1801-20, pp. 227-31.
[2] Melville Lee: *History of Police in England*, p. 201.

libelling members of the Irish Government, and fined £500. In June, the abolition of the slave-trade was voted by the Commons, but negatived in the Upper House. Pitt's last budget, in 1805, raised the income-tax to 6½ per cent., added 2½ per cent. to the port duties, and put new burdens on bricks, glass, coffee, cider, vinegar, and salt. In the autumn, Napoleon abandoned the Channel project; and on October 21st the victory of Trafalgar, at the cost of Nelson's life, finally secured the safety of England. Six weeks later, Austerlitz gave Napoleon a supremacy on land equal to that of his stoutest enemy at sea. Pitt died, broken-hearted over the collapse of his Third Coalition, on January 23rd, 1806, only forty-seven years of age.

The Grenville-Fox "Broad-bottomed" Ministry brought the income-tax up to 10 per cent., exemptions being now allowed only on earned incomes. All teas were taxed to 96 per cent. of the price; and port duties were raised for the fifth time, by 8⅓ per cent. On the other hand, the free importation of Irish grain was at last allowed. In September, Fox died; and a period of parliamentary mediocrities began. After completing the humiliation of Prussia at Jena, Napoleon proceeded to issue the "Berlin decrees" forbidding trade with England, and forfeiting all British property on the Continent. The year 1807 opened with the British reply—the "Orders in Council" forbidding trade with France and her conquered lands, and further restricting the rights of neutral powers. Napoleon's

action provoked smuggling everywhere, to the advantage of England, which had a practical monopoly of sea traffic, and stimulated patriotic resistance, especially in Spain and Germany. The Orders in Council gradually led to war with the United States, and confirmed the aggressive policy of Great Britain with regard to private property in naval war, which is maintained with modifications to this day.

The effect of the double blockade of Europe upon British commerce was less marked than might have been expected. The declared value of exports had risen from 36 millions in 1800 to nearly 40 millions in 1807; it fell to 36·3 millions in 1809. Imports also fell by about 2 millions. On March 25th, 1807, the gallant efforts of Wilberforce, Clarkson, and Zachary Macaulay were rewarded by the vote abolishing the slave trade. No ship was to clear from any port in the British dominions with slaves on board after May 1st, and no slave was to be landed in the Colonies after March 1808. It is the one clearly glorious mark upon an unhappy and inglorious time, and shines the more for the blackness of the surrounding distresses. The spirit of the nation had sunk so low that the King was allowed to dismiss the Ministry in order to prevent a measure of justice being done to Irish Catholic officers in the army. Soon afterwards, George became permanently insane. Lancashire was suffering bitterly, with 60,000 looms idle, and the mobs were out in Rochdale

and Manchester. The small possibilities of new revenue were now effected chiefly by "consolidation" of existing taxes. Attempts to bring the iron and cotton trades under tribute failed before an unexpected resistance.

In 1808 began the six years' war in aid of the independence of Spain and Portugal, a continual drain of life to be added to the continual drain of money. The ballot filled the ranks of the militia, and bounties, rising as high as £60, procured a plentiful enlistment thence into the regular army; while the navy was supplied by the press-gang, the terror of every port. The officership of the army was wholly determined by purchase or parliamentary patronage. Wellington himself was no exception to the rule; "he was enabled to move up from ensign on March 7th, 1787, to lieutenant-colonel in September 1793, five steps in seven years, during which he had been moved through as many regiments—two of horse and five of foot. He was only nineteen months a captain, and six months a major; and he had seen no war service whatever when he sailed for Flanders in command of the 23rd at the age of 23. . . . Contrast with such promotion that of the poor and friendless officer who, after 25 years of service, six Peninsular campaigns, and two wounds, found himself still a captain at the age of 43."[1] In an examination of the courts-martial of the war, Professor Oman finds that the two

[1] C. W. C. Oman: *Wellington's Army*, pp. 199.

commonest offences were desertion and plundering of the peasantry. There were very few charges of cowardice. Whether the savagery of the rank and file made the lash necessary, or the lash made savages of men upon whom wrong after wrong had been perpetrated, has often been discussed. Probably there is an element of truth on either side. Virtues and vices are strangely distributed. Napoleon was remorseless in theft and extortion; but the British use of the whip was regarded in the French army as an atrocious and incomprehensible thing. It was apparently so well understood in England that a country editor who contrasted the British and the French practice was sent to prison for eighteen months. A respectable Guardsman at the age of sixty, on being transferred into the battalion at the Tower, received 300 lashes for being absent for a day. In July 1809, there was a mutiny among the militia at Ely. German cavalry were brought in to suppress them; and the ringleaders were sentenced to 500 lashes each. Wm. Cobbett, for denouncing this barbarity, was sent to Newgate for two years, and fined a thousand pounds. Sentences of 500 lashes were common; and, in 1811, there was a sentence of a thousand lashes, of which 750 were actually inflicted. Palmerston, as Secretary at War, resisted a proposal to limit the number to a hundred; and the motion was rejected without a division.

Crime and poverty were, in fact, as typical a

manufacture in the England of a century ago as iron and cotton. Undoubtedly, the Peninsular army contained many criminals; and of the Irish who composed a fourth or a fifth of every corps many were drunken and quarrelsome. "It was this scum," says Professor Oman, "a small proportion of the whole, but always swimming to the top when there was mischief to be done—peasants to be plundered, or churches to be pillaged—that provided the subject-matter for courts-martial. Officers of undoubted humanity, and men in the ranks who knew what they were talking about, unite in stating that there was a residuum in the Peninsular Army which could only be governed by the lash. This small percentage of irreconcilables provided the nucleus around which misconduct sometimes grew to a great scale in moments of special privation or temptation. In abominable orgies like the sack of Badajoz, or the lesser but still disgraceful riots of Ciudad Rodrigo and San Sebastian, it was the criminals who started the game, but the drunkards—a far more numerous class—who took it up." [1]

Sir John Moore's retreat to Coruña and the disastrous expedition to Walcheren in 1809 represent the lowest ebb of British military power. But Wellington was now teaching his rowdies the art of standing firm, in which they were to triumph at Hougoumont; while Napoleon was embroiling himself in the fatal adventure that ended in the

[1] C. W. C. Oman: *Wellington's Army*, pp. 212-13.

retreat from Moscow and the *débâcle* of Leipzic. We may note in passing that a Bill was passed in 1812 for the relief of insolvent debtors, and that, during the next thirteen years, no less than fifty thousand of these unfortunates were released from prison. In the following year, British India, the extent of which had been greatly enlarged by Wellesley's conquests, was thrown open to all traders. These are the years of the Luddite riots, of bad crops and famine prices, of collapse in foreign trade, and heavy depreciation of the currency. The machine-breaking mania recurred among the distressed Nottingham hosiery weavers in November 1811, and spread rapidly. Unlike the Captain Boycott of later fame, the Captain Ludd who was supposed to organize the outrages appears to have been a mythical personage. Nineteen hundred soldiers were brought into Nottingham; but the disturbances continued for two years here and in the neighbouring counties, and were renewed in 1816.

It was fitly given to Lord Byron, in a singularly fine maiden speech in the Upper House, on the Coercion Act of January 1812 (the year of *Childe Harold*), to anticipate the judgment of history on these events. "To enter into details of the riots," he said, "would be superfluous. The House is already aware that every outrage short of actual bloodshed has been perpetrated. During the short time I recently passed in Nottinghamshire, not twelve hours elapsed without some fresh act

of violence. But, while these outrages must be admitted to exist to an alarming extent, it cannot be denied that they have arisen from circumstances of the most unparalleled distress. When we are told that these men are leagued together for the destruction not only of their own comfort, but of their very means of existence, can we forget that it is the bitter policy, the destructive warfare, of the last eighteen years which has destroyed their comfort, your comfort, all men's comfort, that policy which, originating with 'great statesmen now no more,' has survived the dead, to become a curse on the living unto the third and fourth generation? . . . At present the country suffers from the double infliction of a useless military and a starving population. You call these men a mob, desperate, dangerous, and ignorant, and seem to think the only way to quiet it is to lop off a few of its superfluous heads. But even a mob may be better reduced to reason by a mixture of conciliation and firmness than by additional irritation and redoubled penalties. Are you aware of our obligations to a mob? It is the mob which labour in your fields and serve in your houses, that man your navy and recruit your army, that have enabled you to defy all the world, and can also defy you when neglect and calamity have driven them to despair. . . . Never under the most despotic of infidel governments did I behold such squalid wretchedness as I have seen since my return in the very heart of a Christian country. How will

you carry this Bill into effect? Can you commit a whole country to their own prisons? . . . But suppose one of these men, as I have seen them, meagre with famine, sullen with despair, careless of a life which your lordships value at something less than the price of a stocking-frame, suppose this man, torn from the children for whom he is unable to procure bread, dragged into court, to be tried for this new offence by this new law, still there are two things wanting to convict and condemn him, and these are, in my opinion, twelve butchers for a jury, and a Jeffreys for a judge."

Never, perhaps, before or since, has the voice of the commonalty been echoed with such unmitigated daring in the *sanctum* of privilege. The general economic crisis was reflected in a fall in imports, in 1811, of nearly 13 millions, and in exports of a rather larger sum. The depreciation of the currency had been an aggravation of every other burden since the suspension of cash payments by the Bank of England in 1797. In 1801 the average value per cent. was £91, 12s. 4d.; in 1803, £97, 6s. 10d.; in 1810 it was down to £86, 10s. 6d.; in 1812, to £79, 5s. 3d.; and in 1814 the lowest point was reached, a hundred pounds nominal being worth only £74, 17s. 6d., a depreciation of more than a quarter. Under the Resumption Act of 1819, the Bank recommenced giving coin for notes in May 1821, and the depreciation disappeared.

On April 3rd, 1814, the Emperor abdicated; and there was nearly a year's truce. During this

interval, the Treaty of Ghent closed the discreditable war with the United States, and closed it to such good purpose that, for a century, peace has continued between these cousin-nations, and the safety of three thousand miles of unguarded Canadian frontier has shown the possibility of disarmament. During the last years of the French war, with expenditure at £6 per head of population, no great volume of new revenue could be obtained; save for fresh taxes on leather, glass, and tobacco in 1812, and a sixth general increase of the port duties by 25 per cent. in the following year, there was nothing for it but to borrow, and borrow again. In 1815, imposts were placed on various classes of excise traders, on brewers and soap-makers, on gold and silver plate, newspapers (the tax was now 4d. a copy), bills, and deeds. In June, the news of Waterloo raised hopes soon to be damped; and it became possible to close the accounts of the war, and to reflect upon them.

The first item of such an account should be the toll of lives lost or maimed; but no trustworthy estimate exists under this head. Unlike human bodies and souls, golden sovereigns are made to be counted. In 1792, the national debt of Great Britain was 237 millions; in 1815, the debt of the United Kingdom was 860 millions. "The Great War proved more costly to us than all our preceding wars taken together. The cost of the war of the Spanish Succession had been 50 millions, and that of the war of the Right of Search, 43.

The Seven Years' War cost us 82, and the war of American Independence, 97. The cost of those wars, taken together, was, therefore, 272 millions. But the Great War cost us 831 millions." [1] Of this sum, 68 millions had gone in subsidies and gifts to foreign powers. Of the total cost, 622 millions were added to the national debt, and 209 millions paid out of current resources. The figures for 1815 will serve to show how the latter sum had been raised. In this year, the revenue from taxes amounted to 74½ millions (32 millions being required for interest on the debt). Of this, 6¼ millions were Ireland's contribution; 25½ millions came from direct taxation in Great Britain (including 14½ millions of income-tax, and 6½ millions from houses, servants, carriages, etc.), and 38 millions from indirect taxation in Great Britain (including 27 millions from food and drink, 6 millions from raw materials and coal, and 4 millions from manufactures).

Even upon the face of these figures, it is evident that the burden fell chiefly upon the people, and only secondarily on wealth. But they are very far from representing the fulness of this result. The rich, without complaint, contributed largely, because they recouped themselves largely from that part of the indirect taxation which was of a "protective" character. Thus, the expressed intention of the Corn Law of 1815 was to raise a natural price of 61s. (the January average) to at

[1] Stephen Dowell: *History of Taxation*, ii. 209.

least 80s. by prohibiting cheaper imports. Assuming these rates to be steady for a year, supposing the consumption of wheat to be 9,000,000 quarters (there is no exact estimate), and deducting one-third of this as being consumed by the agricultural population as food and for seed, we find the cost of "protection" on this article alone to the remainder of the nation to amount to no less than £57 millions. Arbitrary as such calculations necessarily are, because prices constantly fluctuate, and consumption varies with them, they are useful to indicate the radical difference between taxation proper, the whole product of which goes into the Exchequer, and protective or prohibitory duties, the chief or sole result of which is to make the many consumers pay higher prices for home supplies for the benefit of a relatively small class of producers.

How came legislation of the kind to be placed and to be kept so long upon the statute-book? To understand this and other important circumstances of the time, we must look more closely into the position of agriculture and the classes dependent on it.

### III. Agriculture under the Corn Laws

The three Censuses gave 35·2 per cent. of the families of Great Britain as occupied in agriculture in 1811, 33·2 per cent. in 1821, and 28·2 per cent. in 1831. The positive increase of the agricultural class in twenty years was stated as 7·2, and of the

trading and manufacturing classes 27 per cent. Ireland was almost wholly, Wales was mainly, dependent on agriculture; Scotland drew large profit from her fisheries. The estimates of national capital and income at this period are vague and uncertain.[1] But they concur with the other figures in marking the trend from a preponderance of rural to a preponderance of urban life, labour, and wealth. Agriculture, indeed, was doubly stimulated during the period we are dealing with. There was a genuine spirit of scientific improvement afoot. The King, who liked to be called "Farmer George," patronized the movement; and the Board of Agriculture organized and ad-

[1] In a series of estimates of English wealth from 1690 to 1800, Sir Robert Giffen arrived at a total property value in the latter year of £1500 millions; and he thought the proportion of land to the whole had fallen from sixty to forty per cent. Pitt, in 1798, estimated the taxable incomes in Great Britain as amounting to £45 millions in rents of land, houses, etc., and £40 millions in profits of trade and commerce. In a volume of *Observations* on Pitt's income-tax proposals, in 1800, the Rev. H. Beeke calculated the total effective private capital of Great Britain at £1420 millions (£720 millions being in land, £75 millions tithes, and £125 millions farming capital) and the income at £92½ millions, of which £44 millions came from the land. In 1812, Colquhoun, in his *Wealth, etc., of the British Empire*, reckoned the capital of the whole Kingdom at £2736 millions, and gave £1200 millions as the value of land; but he thought that the total income from commerce, navigation, and manufactures amounted to £183 millions, that from land and mines together (Ireland included) to only £107 millions. Further particulars will be found in Chap. 38 of Mr F. W. Hirst's edition of Porter's *Progress of the Nation*. This edition summarizes the original work—which must still be consulted by the historical student—but is very useful in bringing the statistical record down to the end of the century.

vertised it. The Board, founded in 1793, was not a Government department, but another characteristic English compromise, a sort of subsidized, quasi-official corporation. Sir John Sinclair, as its president, and Arthur Young, as its secretary, worked indefatigably to popularize better crops and a better rotation, better cattle-breeding, better implements, drainage, and organization, and the bringing into use of lands hitherto waste. Coke of Holkham, Jethro Tull, Lord Townshend, and other pioneers were held up as examples which every patriotic landlord and farmer ought to follow. Davy was induced to lecture in London from 1803 to 1813 on vegetable chemistry; and it was at the instance of the Board that Erasmus Darwin wrote his *Phytologia, or the Philosophy of Agriculture and Gardening*, published in 1799, three years before his death. Darwin was a friend of Watt, Boulton, and Wedgwood; and there were other links between the spheres of mechanical invention and rural enterprise. The threshing-machine, projected in 1758, was now in common use; and Cartwright had installed a steam-engine for the Duke of Bedford at a cost of £700. Reaping-, mowing-, and winnowing-machines, chaff-cutters, and other implements were brought into use. Farmers' clubs and cattle-shows multiplied. The drainage of the fens of Cambridgeshire and Lincolnshire was taken up in earnest. The Eastern counties and the Lowlands of Scotland were the most active centres of experimental cultivation;

but the whole country felt the current of new life.

Enlightenment in the landlord and ingenuity in the mechanician and organizer are not, however, prime factors in producing such a change as this in the most conservative part of society. Agricultural produce cannot be multiplied magically, like cotton cloth when steam is harnessed to the loom. It was the increase of non-agricultural population, the cutting-off of foreign food supplies, and the consequent high prices, that awoke these unwonted energies in the farming class. England had definitely become a wheat-importing country in 1773, and had ceased to export twenty years later. During that period, the price of corn did not average more than 46s., though bad seasons and interference with maritime trade led to acute fluctuations. The enclosing of less fertile lands was one of a number of influences which produced, at this time, a strong access of protectionist sentiment. By the Act of 1791, repealing previous Corn Laws, a balance of export bounty and import duty was arranged with the purpose of keeping the price at about 54s.; actually, from 1790 to 1799 it averaged 55s. 11d. Thanks to the fact that Napoleon's economic ideas were of that peculiarly crude kind of Protectionism which sees wealth only in exports, no effort was made to cut off during the war France's food supplies to England; it was one of the costliest blunders of the great conqueror's career. But the indirect

obstruction of commerce was sufficient, with deficient harvests from 1798 to 1801, to run prices up to an unprecedented figure in the latter year. The rapid fall that followed led to an outcry; and in 1804 foreign imports were practically prohibited till 63s. a quarter was quoted. In 1810-11, when the crops of Prussia, Poland, and Russia were absorbed by the hosts engaged for and against the Moscow expedition, and in 1812, during the war with the United States, the highest recorded level was reached; the country was, in fact, on the brink of famine. Again prices tumbled down; and again, when the wars were ended, was heard the bitter cry of farmers who had been induced to sink cash and credit in wheat-growing, and now found themselves faced with American and Baltic competition. The first result was the Corn Law of 1815, prohibiting import (except of the trifling Canadian supplies) till wheat stood at 80s.,[1] rye, peas, and beans at 53s., barley at 40s., and oats at 26s.

Every increase of the corn duties had been

[1] The fluctuations in the price of wheat, smoothed into annual averages, may be thus shown: It

| | s. | d. | | | s. | d. | |
|---|---|---|---|---|---|---|---|
| Fell from | 54 | 3 | in 1783. | Rose „ | 89 | 9 | „ 1805. |
| to | 40 | | „ 1786. | Fell „ | 75 | 4 | „ 1807. |
| Rose „ | 54 | 9 | „ 1790. | Rose „ | 106 | 5 | „ 1810, |
| Fell „ | 43 | | „ 1792. | and „ | 126 | 6 | „ 1812. |
| Rose „ | 98 | 7 | „ 1796. | Fell „ | 65 | 7 | „ 1815. |
| Fell „ | 51 | 10 | „ 1798. | Rose „ | 78 | 6 | „ 1816, |
| Rose „ | 119 | 6 | „ 1801. | and „ | 96 | 11 | „ 1817. |
| Fell „ | 58 | 10 | „ 1803. | Fell „ | 67 | 10 | „ 1820. |

marked by an extension of the area of tillage. In 1803, Sinclair "declared war," as he put it, on waste land; it was not, he said, enough to liberate Egypt and subdue Malta, they must attack Finchley Common and conquer Hounslow Heath. The campaign against the few remaining commoners was an easy success. From 1760 to 1769, the number of Enclosure Bills was 385; in the next decade it was 660; in the 'eighties 246; in the 'nineties 469; from 1800 to 1809 it was 847; and in the following ten years, 853, there being 133 in the year 1812 alone. In the first twenty years of the nineteenth century, over three million acres of land were so appropriated for cultivation.

This is the maximum of the enclosure movement. Although more improvable lands remained, with the existing communications they could not be profitably exploited. Many of the new farms, indeed, could only be profitably worked so long as artificial prices prevailed; but there is ground for thinking that the average fertility of soil had been somewhat improved. The rise of rents is significant. It is thought to have amounted to 100 per cent., or even 150 per cent., in the twenty years before Waterloo. The rental of the Holkham estate rose from £2200 in 1776 to £20,000 in 1816; but this, of course, was a peculiar case.

"With scarcely any exception," said Porter, writing in 1836, "the revenue drawn in the form of rent from the ownership of the soil has been at least doubled in every part of Great Britain since 1790. In the county of Essex,

farms could be pointed out which were let just before the war of the French Revolution at less than 10s. per acre, and which rose rapidly during the progress of that contest, until, in 1812, the rent paid for them was from 45s. to 50s. per acre. This advance has not, it is true, been maintained since the return of peace: in 1818 the rent was reduced to 35s., and at the present time is only 20s. per acre, which, however, is still more than double that which was paid in 1790. In Berkshire and Wiltshire there are farms which in 1790 were let at 14s. per acre, and which in 1810 produced to the landlord a rent of 70s., being a fivefold advance. These farms were let in 1820 at 50s., and at this time pay 30s. per acre, being 114 per cent. advance upon the rent paid in 1790. In Staffordshire there are several farms on one estate which were let in 1790 at 8s. per acre, and which, having in the dearest time advanced to 35s., have since been lowered to 20s., an advance, after all, of 150 per cent. within the half century. The rents here mentioned, as being those for which the farms are now let, are not nominal rates from which abatements are periodically made by the landlord, but are regularly paid, notwithstanding the depressed prices at which some kinds of agricultural produce have of late been sold. In Norfolk, Suffolk, and Warwickshire, the same, or nearly the same, rise has been experienced; and it is more than probable that it has been general throughout the kingdom. During the same period the prices of most of the articles which constitute the landlord's expenditure have fallen materially; and if his condition be not improved in a corresponding degree, that circumstance must arise from improvidence or miscalculation, or habits of expensive living beyond what would be warranted by the doubling of income which he has experienced and is still enjoying."

Three great influences were at work modifying

the constitution of rural society—the war and war prices, enclosure, and the growth of manufactures. Unfortunately, means are lacking for an exact estimate of their effect. England was becoming a country of large estates; but before Waterloo there were yet many commoners and yeomen. Even in 1831, when Census figures were available, of 236,343 male occupiers of land, about two-fifths employed no labourers, while the remainder employed an average of only $5\frac{1}{4}$ labourers per farmer. In Scotland, at the same time, of about eighty thousand occupiers, more than two-thirds employed no labourers; and in Ireland more than three-quarters of those engaged on the land were poor cottiers. British agriculture presented a marked contrast to that of France, with its three and a half million landowners, three millions of whom (with their families, two-thirds of the whole nation) farmed on the average only fourteen acres apiece. In 1831, the old race of small independent cultivators was disappearing from the countryside; in 1815, many still remained. Some had sunk to the status of day labourers; but the fact that the population of the agricultural counties continued to increase, and even increased more rapidly in the second than in the first decade of the century,[1] suggests that it was not only the landlords who profited by high prices and high

[1] The population of Norfolk rose from 273,371 in 1801 to 292,000 in 1811 (7 per cent.), and to 344,368 in 1821 (18 per cent.). The corresponding increases in Suffolk were 11 per cent. and 15 per cent.; Cambridgeshire, 13 per cent. and 20 per cent.; Devon, 12 per cent.

farming, although the main profits certainly went to them. But, when the inevitable crash came, it was the more disastrous because it involved a host of weaklings, and not only a limited class of substantial proprietors. Only when importation was freed, and bread, among other commodities, became comparatively cheap, were the effects of land robbery—for that is what enclosure had commonly been—fully manifest.

If, as the great Pitt had said, the war did not make corn dear, peace should not make it cheap. Whether they believed this or no, landlords and tenants had acted as though high prices were in the natural order, and must last. Much of the new land brought into cultivation was very inferior, and was doomed to suffer the process which Ricardo crystallized in the "law of diminishing returns." Good pasture was ploughed up. Money was borrowed on mortgage to effect improvements; the prospect shone so bright that estates were charged with annuities, jointures, and legacies. While the poor of the towns famished, the farmer forgot to grumble over his enhanced rent. The awakening was sharp. In 1814, determined opposition from the towns had prevented the passage of a new Corn Law; yet the Act of 1815—such was the chorus of distress when sea traffic was reopened—commanded very large majorities. Lord John

and 15 per cent.; Dorset, 8 per cent. and 16 per cent.; Essex, 11 per cent. and 15 per cent.; Lincolnshire, 14 per cent. and 19 per cent.; Somerset, 12 per cent. and 17 per cent.; Sussex, 19 per cent. and 22 per cent.; Wilts, 5 per cent. and 15 per cent.

Russell, in one of his first speeches in Parliament, declared that land, which had been generally let on the calculation that a quarter of wheat would be worth £5, had fallen to a half of its value in the two years after the war. Farmers had to sell their crops at any price to pay their taxes. Even Malthus, who said there had never been a more disastrous year for agriculture, and Brougham, supported the demand for protection. Opinion in the towns was all against the Corn Law; and among public men the Free Trade principle was obtaining wider acceptance. But the economic collapse that always follows a great war was on this occasion so much aggravated that the plea for exceptional treatment was irresistible. Ricardo's explanations of rent and "diminishing returns," published two years later in his *Principles of Political Economy*, greatly stimulated clear thinking on the whole subject.

## IV. The Rise of Manufacture

Meanwhile, the business of manufacture was passing through a change even more remarkable than that which had overtaken agriculture. With the repeal of the magisterial power of assessing wages and of the obligation of apprenticeship, in 1814, the spirit of *laisser faire* and individual adventure stood triumphant upon the ruins of the ancient social order. Henceforth, the race would be for the swift, the prizes for the strong. The

era of "Heroes and Hero Worship," prelude to that of the "Struggle for Existence," was opening. The "self-made men," who were to found "the Manchester School," rose by their own force, scorning State aid or inherited advantage. Those who remained in the ranks admired their energy and hardihood. In the early freshness of the change, the successful were well pleased with themselves. The *nouveau riche* mill-owner began to claim equality in public life with the lord of many hereditary acres; the inventor aspired to the honours of the privileged order which boasted such names as Chatham, Pitt, Burke, Fox, and Wellington. A bold idea, now first seriously mooted. "The reign of George III," said Brougham, "may, in some important respects, be justly regarded as the Augustan age of modern history. The greatest statesmen, the most consummate captains, the most finished orators, the first historians, all flourished in this period." Even the comfortable reformer of the day could be thus satisfied. But a new power was rising rapidly. When Napoleon was evidently done with, men's thoughts turned to the achievements of the great engineers and architects—Watt, Boulton, Rennie, Telford, Mylne, Jessop, Chapman, Rumford, Huddart, Brunel, Watson, Maudslay —of Crompton, Cartwright, and Arkwright; of Murdock, who first made coal gas commercially; Tennant, the Glasgow chemist and bleacher; Ronalds of Hammersmith, who passed an electric message

through a space of eight miles; Charles, Earl Stanhope, who invented a printing-press and a stereotype process; Bramah, the inventor of the hydraulic press; Trevethick, the inventor of the first high-pressure steam-engine and the first successful railway locomotive; Nasmyth, of the great hammer; Miller and Symington, the first builders of a practical steam-boat, and a host of others. Near to these stood a group of brilliant scientists, some of them familiar figures at the Royal Institution (founded in 1799): Dalton, Davy, Wollaston, Faraday, William Smith, the father of English geology, Cavendish, Herschel the astronomer, and Kater, the creator of the Indian trigonometrical survey.

Marvel upon marvel these men opened to the astonished eyes of their fellows, eyes not sophisticated, like ours, with board-schooling and journalism, but stretched child-like to the sudden revelation of worlds before undreamed of. What a challenge to capable brains their famed examples uttered! "It is well known," says Porter, "that, by the consumption of one bushel of coals in the furnace of a steam-boiler, a power is produced which in a few minutes will raise 20,000 gallons of water from a depth of 350 feet, an effect which could not be produced in a shorter time than a whole day through the continuous labour of twenty men working with the common pump." Here was transmutation as miraculous as any the alchemists conceived. But it had the merit of being "well

known" and common property. All ears were agog for news of still greater conquests over the powers of nature. The age of Columbus is not more wonderful than this era of domestic discovery under the alliance of science and practical skill. A generation later, when the glamour was obscured by mill smoke and dyers' pollution, and the worse smoke and pollution of greedy unbelief, our wild Carlyle must stop in his ravings to dwell upon its magic: "It now turns out that this favoured England was not only to have her Shakespeares, Bacons, Sidneys, but to have her Watts, Arkwrights, Brindleys! We will honour greatness in all kinds. Prospero evoked the singing of Ariel: the same Prospero can send his Fire-Demons panting across all oceans, shooting with the speed of meteors on cunning highways, from end to end of kingdoms, and make Iron its missionary, preaching *its* evangel to the brute Primeval Powers, which listen and obey: neither is this small. Manchester, with its cotton-fuzz, its smoke and dust, its tumult and contentious squalor, is hideous to thee? Think not so: a precious substance, beautiful as magic dreams, and yet no dream but a reality, lies hidden in that noisome wrappage . . . ten thousand times ten thousand spools and spindles all set spinning there—it is, perhaps, if thou knew it well, sublime as a Niagara, or more so."[1]

The industry which, in the year 1911, raised 260 million tons of coal, about a sixth of it for export,

[1] *Chartism*, p.82.

was, in the early days of the nineteenth century, a much swaddled infant. Up to 1820, sea-borne supplies had to bear a duty of 7s. 6d. a ton, and 4s. of this remained until 1830. An organized restriction of the output known as the "limitation of the vend" was even more effective, in the region of the Tyne, Wear, and Tees, in preventing growth; and this early combine had the unfortunate result, characteristic of similar cartells in our own time, of benefiting foreign countries by "dumping" goods upon them at an artificially low price. "It practically resulted that the same quality of coals which, if shipped to London, were charged at 30s. 6d. per Newcastle chaldron were sold to foreigners at 18s. for that quantity, giving a preference to the foreign buyer of 40 per cent."[1] Steam-pumping had made it possible to sink deeper shafts; but the exploitation of the pit was still very rudimentary. Until 1810, it was the custom to leave large pillars of coal to support the mine roof; the substitution of wooden props effected a considerable saving. The year 1813 is marked by the invention of the steam boring-machine. In 1815 Sir Humphrey Davy introduced his safety-lamp; this not only protected the miners, but enabled deeper and remoter levels to be cut. Mechanical haulage underground only began to come into use in 1820. The total quantity of coal shipped from Newcastle and Sunderland in 1801 was about two million tons; of the land traffic there is no record.

[1] Hirst's *Porter*, p. 220.

In 1819, the quantity of coal shipped coastwise from British ports was 4,365,000 tons. About the same time, it was estimated that over 10 million tons were distributed inland by means of canals and railways. In 1850, the total production was estimated at 56 million tons, less than seven per cent. of this being exported. In later years, export has been upon a constantly increasing scale, in considerable part to meet the needs of British ships, both as fuel and outward cargo.

Probably the most degraded type of labour in the country in the dawn of the century was that of coal-mining. Far from the observation of the great cities, and often hidden away in small hovel-communities on a wild countryside, without any education, or any possibility of sane social enjoyment, selected for their physical strength, and mercilessly exploited, the miners oscillated between extremes of low vice and religious frenzy. The employers held a greatly privileged position—untroubled by the anxieties of elaborate machinery, uncertain markets, or financial organization, they had simply to get and sell to a steadily increasing demand. Many of them were already wealthy as landowners; all of them could expect to amass a fortune. Yet we find hardly a trace of interest in the lives of the wretched men who slaved in their subterranean prisons for thirteen hours a day, or the women and children who crawled about this underworld, chained like beasts to their little wagons, and toiled up the long flights of

wooden stairs with loads of the "black diamond" on their backs. In Scotland, the colliers had only just emerged from legal serfdom. Throughout the North a "yearly bond" was customary. Wages often reached to double those of neighbouring agricultural regions; but such a life produces a reckless and prodigal spirit. Moreover, the miners were among the worst sufferers from cheating by "truck." A thousand of them were killed yearly, and seven or eight thousand seriously injured, by colliery accidents. Forty years of experiment in factory legislation had to pass ere, by the Act of 1842, the employment of women and of boys under ten below ground was forbidden. An official witness at that time declared that "the hardest labour in the worst room in the worst conducted factory is less hard, less cruel, and less demoralising than the labour in the best coal-mine." In 1850, official inspection of the ventilation and lighting arrangements was initiated. The miner's lot is still not an easy one; but steady progress has been made in ameliorating it since the middle of the century.

It will be convenient at this point to dismiss briefly the less important mining industries of the United Kingdom. Tin and copper had been extracted, especially in Cornwall, from very early times; and the perfection of the steam-engine, first for pumping, and then for hoisting the cage and other uses, made it possible to reach immense depths (in 1830 the Treseavon mine was 1,920 feet

deep. Thus, the produce of Cornish tin increased from 2676 tons a year at the beginning of the century to 4047 tons in 1830-34. The output of white tin has since varied from four to ten thousand tons a year. A much larger quantity of tin ore is now imported; and the average price has risen from £87 in 1880 to £143 in 1905. The produce of the copper-mines increased more rapidly, till it reached a maximum of about twenty thousand tons (£2,487,375) in 1854. Since then, it has fallen to infinitesimal proportions, while the import has grown, especially under the stimulus of demand from the electrical industries. There are no early statistics of lead-mining; but a product of 64,000 tons in 1854 had fallen to 29,000 tons in 1907, when the import of lead, pig, and sheet ore together was over 200,000 tons, yielding goods valued at £5·7 millions. The metalliferous mine workers are much less liable to serious accident than colliers, but much more liable to consumption and other occupational diseases. Considerable amounts of iron-stone, oil shale, and fire-clay are quarried in the United Kingdom; and we owe a great deal to our deposits of salt. Under the heavy excise duty which continued till 1823, the production of salt averaged about ten million bushels, four-fifths of which was exported. In the twenty years following the removal of the duties, the consumption increased fivefold; and to-day, when every need, domestic and manufacturing, has been satisfied, there still remains a small margin for export.

We now turn to those major and fundamental departments of modern industry, the iron, steel, and derivative trades. We saw in the last chapter their modest beginning. In 1802, there were still only 144 furnaces in England and Wales, and 24 in Scotland, the average production being about a thousand tons of pig-iron yearly, a marked advance upon the era of wood-fuel, but a strange contrast to the prodigious records of to-day. Four years later, parliamentary inquiries gave an estimated output of 250,000 tons; and the trade was strong enough to repel Pitt's attempt to put a tax of £2 a ton on pig-iron. Porter cites a private estimate according to which the figures rose to 442,066 tons in 1823, to 581,367 tons in 1825, 702,584 tons in 1828, 1,000,000 tons in 1831, 1,500,000 tons in 1840, and 2,000,000 tons in 1848. These totals will serve to show the rapid acceleration of the rate of progress during the first half of the century, and of the immense demand for material for the most varied kind of manufacture, from the finest machinery to the roughest hardware. The supply was, apparently, at all times after the first years of the century, equal to the home demand; for, after the close of the great war, exportation increased in full proportion, rising from a tenth to a quarter of the output of pig and bar iron. South Wales and South Staffordshire were for long the most considerable centres, Scotland being a close competitor, and Shropshire and Yorkshire following far behind. Sheffield,

thanks to the many neighbouring water-courses, which provided power, and the abundant local coal supplies, early became prominent in the conversion of iron into steel. Most of the metal used was imported from Sweden; and it was reckoned in 1835 that the steel furnaces of the town used a hundred thousand tons of coal a year. According to Porter, 9000 tons of steel were then made yearly, of which a sixth was exported in an unwrought form, chiefly to the United States. Much of the remainder was converted into cutlery.

Birmingham, then the "toy-shop of Europe," as Burke called it, and already one of its chief small-arms factories, was, as it still is, the centre of a very various group of metal trades classed as "hardware." Babbage gives a table of Birmingham goods to illustrate the fall of prices (varying from 40 to 85 per cent.) between 1812 and 1832. They include anvils and awls, candlesticks and curry-combs, chains, nails, screws, and locks of all kinds, fire-irons, spoons, and stirrups. In many of the smallware trades, a singular compromise of industry prevailed which Porter thus describes: "A building, containing a great number of rooms of various sizes, is furnished with a steam-engine, working shafts from which are placed in each apartment or workshop, which is likewise furnished with a lathe, benches, and such other conveniences as are suited to the various branches of manufacture for which the rooms are likely to be needed. When a workman has received an order for the supply of

such a quantity of goods as will occupy him a week, or a month, or any other given time for their completion, he hires one or more of these rooms, of size and with conveniences suited to his particular wants, stipulating for the use of a certain amount of steam-power. He thus realizes all the advantage that would accompany the possession of a steam-engine; and, as the buildings thus fitted up are numerous, the charges are low."

Two illustrations may be given of the restrictive effect of State policy upon industry between the great war and the adoption of the Free Trade principle. The duty on gold and silver articles being remitted to foreign traders, export was encouraged, while at home plated wares took their place, and gave Sheffield a new industry. The glass manufacture afforded a more signal instance. Excessive duties brought it to a stagnant condition in the early years of the century; and the complicated regulations of the excise effectively prevented technical improvement. Between 1801 and 1833, the population of the country increased by one-half, the amount of glass used by only one-eighth. Indeed, the quantity seems to have decidedly declined by comparison with the years immediately preceding the French wars. This lamentable fact, so eloquent of the poverty of the time, was undoubtedly due to the tariff, which was increased in 1794 by one-half, doubled in 1812, somewhat lowered for plate glass in 1819, and finally removed only in 1845 by Peel, who truly

said that "no tax could combine more objections, or be more at variance with all sound principles of taxation." One result of its operation had been that British scientists were for long dependent, for instance for optical instrument glasses, on foreign imports; another was that a considerable illicit manufacture of flint glass was carried on in attics and cellars.

There was, in happy contrast to this obscurantism, one important vein of sagacity in the latter days of the Protectionist epoch. The reasons alleged in favour of prohibiting the export of new machinery and, if possible, new processes are every whit as impressive as those adduced in favour of protective import duties. Nevertheless, the eighteenth century restrictions intended to create a monopoly of home invention were rapidly abandoned; and the export of machinery has ever since been one of the largest and most lucrative departments of British business. No far-sighted statesmanship produced this result, but plain self-interest. Foreign visitors were often refused access to mills containing new machinery; and attempts were occasionally made to prevent the emigration of specially skilled artisans. Nevertheless, the factory and railroad engineers of the Continent — especially Germany and Russia—and of America were commonly trained by Scottish and English managers. "It appears," a Commons Committee reported in 1824, "that, notwithstanding the laws enacted to prevent the seduction of artisans to go abroad, many able

and intelligent artisans have gone abroad to reside and to exercise their respective arts, and that it is extremely difficult, if not impossible, by law to prevent artisans who may be so determined from going out of the country." In the following year, these laws were repealed. The export of certain kinds of machinery remained under prohibition for many years; but there was little difficulty in most cases in getting exemption under the discretionary powers of the Board of Trade.

The clash of interests was more apparent than real. Since the machine-making must evidently precede in their development the machine-using trades, the would-be exporters had attained a strong influence before the would-be prohibiters could bring any pressure on Parliament. The whole business of production was too prosperous to favour such a rivalry. Manufactures in other lands were undoubtedly benefited; at the worst, that was only a brief anticipation of the inevitable. On the other hand, there was a great immediate profit, a long start in the international race. Both the manufactures making and those using machinery were spurred on; and it was not an evil thing that the stimulus was continued in later years by foreign competition. Meanwhile, England became known throughout the world as the home of invention, and by her policy drew to herself both brains and the necessary materials which she did not herself produce.

But the miracle of the time was the growth of

the textile trades, and, especially, of the cotton manufacture. In 1785, the import of raw cotton had amounted to 18 million lbs., most of this being still used with linen warp; in 1800, just before Cartwright's power-loom came into use, it was 56 million lbs. During the war, this figure was not greatly exceeded; but in 1817 it reached 116 million lbs.; in another decade, it was doubled; in 1835, it passed 333 million lbs.; and by 1850 this prodigious volume of consumption was again doubled. There is, perhaps, no more significant phenomenon in the history of England. The wool trade is not so easily measured; but we know that its progress, considerable as it is, has been much slower than this. The whole increase of supplies of raw material in the first third of the century is estimated at 80 per cent.; and exports in that period increased very little. In 1840, M'Culloch estimated the total value of woollens produced in Great Britain at £21 millions, the number of employees at 332,000; the value of cotton goods produced he put at £34 millions, and the number of workers at about one million. If it were our task here to trace the development of political-economic thought, we should have to show that the optimistic school of Robert Owen rose as naturally from the contemplation of man's power of exploiting a tropical product as the pessimistic school of the Rev. T. R. Malthus rose from the contemplation of the demoralized rural labourer. The true synthesis of these things was not to

come for many years. The chief feature of the miracle was not an industrial fact, the invention of machinery and power, but an agricultural fact, the necessarily greater plenty and cheapness of cotton, a Southern vegetable product, as compared with wool, a Northern animal product, or even with linen. The inventors, of course, were quite impartial; and, as an ancient privileged industry, the wool trade would have had the preference, were that possible. But cotton rose in price during the war less than wool; and, afterwards, the novel spectacle was presented of a trade being able to get the whole of its raw material from thousands of miles away more cheaply and regularly than a rival trade which had boasted of having at its doors the best supplies in the world. Wool at the end of the eighteenth century was more than twice as dear as it had been at the beginning. In 1814, the prices were nearly identical; but in 1821 wool was 1s. 3d., and cotton 9½d. per lb.; in 1827 wool was 9d., and cotton 6½d.; in 1832 wool was 1s., cotton 6½d. The competition was, however, mutually advantageous. English sheep-farming was quickened; the yield of native wool was improved in quality, and greatly increased in quantity.

It is usually taken for granted that the general reader has a sufficient understanding of spinning and weaving and other primary industrial processes to enable him to appreciate the machine revolution. This seems a rather large assumption in the twentieth century, when the old handicrafts sur-

vive in only a few remote corners of the country, and when factory labour is so much divided that few operatives see more than one stage of production. Let us attempt very briefly to outline the nature of the great textile transformation. At the beginning of the eighteenth century, wool, cotton, and flax were still commonly spun by the ancient means of distaff and spindle. The distaff was a stick around one end of which the raw wool, already cleaned and combed, was loosely wound; the spindle was a second stick which received the flocculent stuff in the form of a continuous thread or yarn. This is made possible by the peculiar structure of the fibre: the surface of every hair being covered with minute scales, the hairs interlock when pressed together; and, if they have been previously reversed, they interlock so strongly that they can be drawn through a machine without breaking. Holding the distaff under one arm, the spinner coaxed out a thread, and fastened it into a notch in the top of the spindle. The right hand then set the spindle rotating (a ring of stone or clay round the upper part helping to give a steady momentum), by a half-throwing, half-turning movement; and, while the right hand spun, the left was continually freeing from the distaff a new supply. As the yarn became sufficiently twisted and drawn out, it was notched at a farther point, and so on till the spindle was full. The first improvement of this primitive labour was the very simple one of the spinning-wheel, the spindle being

set in a frame, and rotated by means of a hand wheel. Then a treadle was attached to the wheel; and, toward the end of the eighteenth century, a double-spindle wheel was made, with "flyers" or twisting arms attached to the spindles. The main work was now not the actual spinning, but the feeding of the spindle.

While the woman, in this nearly universal home industry, produced the yarn, the man did the heavier labour of weaving it into cloth. This consisted essentially in passing one system of threads, called the woof or weft, alternately under and over a transverse system of threads, called the warp or web. Until about 1773, linen yarn was always used for the warp; only afterwards was cotton spun strongly enough to be used alone. The loom was thus a frame holding a row of yarns (the warp) in such a manner that certain threads could be raised, and others depressed, while a shuttle carried the weft-thread through them. The process was substantially the same for cloth-making, and for net- or lace-work, for the making of fabric of uniform colour, and for pattern-weaving, although the loom in the latter cases was more complicated. Double weaving (Kidderminster carpeting is an example) consisted in weaving two webs simultaneously one above the other, and interweaving the two at intervals so as to form a double cloth. After weaving, the cloth had to go through the "fulling" process, in which the fibre was beaten or pressed so that the scales

interlocked closely ; it was then washed, " tented " (stretched), dressed in various manners, and was at length ready for the dyer.

We can now more easily realize what it was that Hargreaves, Arkwright, Cartwright, Crompton, and Watt accomplished. The spinning-jenny [1] was a simple arrangement by which a number of spindles could be kept turning by a hand-wheel. At the outset it enabled eight threads to be spun as easily as one had been ; later, it was so much improved that a little girl could work eighty or a hundred spindles. The jenny, however, could not give yarn strong enough for the longitudinal threads, or warp. This deficiency was met by Arkwright's water-frame, a radically different machine, afterwards, in improved form, known as the " throstle." This consisted essentially of two pairs of rollers, turned by water or steam power. The lower roller of each pair was furrowed or fluted, while the upper ones were covered with leather, the better to hold and draw the raw cotton. Instead of being merely compressed, therefore, as would be the case if the rollers were smooth, it was drawn through flutings, at first at a moderate speed, then, in the second pair, more rapidly ; and, while the " sliver " or " roving " was thus being drawn to a thread of the desired tenuity, a twist was given to it by an adaptation of the spindle and flyer arrangement.

[1] There was no Jenny in the case ; the name is probably a corruption of " engine." In the same way, we have Eli Whitney's cotton " gin," or cleaning machine.

Crompton's "mule" combined parts of the jenny and of the spinning-frame, and differed from the latter chiefly in the method of twisting and winding the thread. Both methods continued in use, as they gave rather different results, the throstle yarn being of a closer twist, stronger and more even, and thus better for warps and for thread-making, while the "mule" gave a wider range of fineness, a softer yarn, good for both twist and weft. Throstle yarn cost more, but commanded a better price. The cost of hand-mule spinning led, after many efforts, to the creation of the "self-acting mule," patented about 1825 by Richard Roberts, and further improved by the "quadrant winding motion" in 1830.

Meanwhile, power had been applied to the loom, the first successful experiment being carried out in 1801 with two hundred looms in Mr Monteith's weaving mill at Pollockshaws, near Glasgow. There were then already thirty-two steam-engines applied to the spinning process in Manchester alone. The power-loom made only slow headway for many years. In 1813, there were believed to be 2400 in use in England and Scotland, in 1820 perhaps 15,000, and in 1833, 100,000.[1] The number of the old hand-looms employed in the cotton manufacture was estimated to be between 200,000 and 250,000 in 1820; and it rather increased than diminished between then and 1834, when evidence was given, before the Commons

[1] Baines, *History of the Cotton Manufacture.*

Committee on the condition of the weavers, that there were nearly 50,000 in Scotland alone. This is a singular fact, when we remember the demand for more weaving capacity to meet the increase of spinning, and the economy of production with the aid of power. Baines gives a manufacturer's estimate that, whereas a very good adult hand-weaver could weave *two* pieces of shirting of a certain kind per week, a steam-weaver only fifteen years old, attending two looms, could in 1823 weave *seven* similar pieces, and in 1826 *twelve* pieces; while in 1833 an older man, aided by a girl of twelve years, could attend four looms, and weave *eighteen* or twenty pieces This was a vast economy, but not as striking as that effected on the spinning side, and the necessary improvement of the machinery was more slowly reached. The hand-weavers made a desperate fight of it. They had at first an advantage in being able to make finer cloth than machinery could produce; and cheap yarn was a stimulus to them as well as to the power-weavers (there was never too much yarn, because the surplus was promptly exported). For the rest, it was a question of lowering their prices till the bottom point of a bare subsistence was touched. During the crisis after the war, handweavers' wages fell to pittances of from 9d. to 1s. 4d. per day of 16 or 18 hours. The sudden and almost complete stoppage of hand-spinning on the introduction of machinery and steam appears, then, to have been merciful by com-

parison with the slow degradation of the hand-weaver, sinking at every moment of special pressure into indescribable misery. Nor was it only in England that this effect was produced. Weavers all over Europe welcomed the supplies of cheap British machine-made yarn; and the consequent supersession of hand-spinning wrought no such misery as followed the slower establishment of factory weaving.

As surely as the dyer's hand shows his trade does the technique of every industry, from the simplest to the most complex, reflect itself not only in the individual, but in the collective and social, character of the workers. The historian of economic development is often compelled to present labour in the lump, a disembodied spirit resembling none of the living labourers we have known in the past or present, in one place or another. Space forbids him to translate his shorthand back into the language of real experience: all he can do is to warn his readers from time to time that no symbol can do justice to the infinite variety of human beings and their affairs. We may illustrate the point by noting the difference between the poor weaver, whose lot we have just traced, and the poor hosiery knitter referred to in preceding pages as a victim of the disruption and a machine-breaker.

In the last resort, it depends on the difference between a darn, and a loop or stitch. The cloth weaving-frame, or loom, is nearly as old as history, a hoary implement of household servitude. The

knitting-frame dates only from 1589, and hand-knitting seems to be not very much older. The difficulty of mechanically reproducing the variety of movements of the housewife's fingers is evident. A young clergyman of Calverton, Notts, Wm. Lee, M.A., solved the problem, however. "He did not attempt to make a seamless stocking, but made a flat web of the proper shape, varying in its width from calf to ankle, so that when the edges were sewn together a properly shaped stocking appeared. The machine, a contrivance of wheels and levers, required eleven distinct movements to be made by the hands and feet of the operator, but it achieved the same result as the movements of the human hand. To obtain this, each of the loops which a hand knitter gathers side by side on one or more pins, he placed upon the point of a separate needle fixed in the frame, hence the name 'frame-work knitting.'" [1] Long before the time of the great textile inventions, this ingenious machine was building up an important trade in London and Nottingham, consisting not only of stockings but brightly coloured piece-goods to be cut up for caps, waistcoats, scarves, gloves, and shirts. By 1740, there were 10,000 hand-frames at work, and the operatives could live comfortably on half-a-week's wages. At first, every frame-owner was also a worker, though he might have journeymen; and the London trade, speaking through its livery company,

[1] "The Hosiery Trade," by Anthony Mundella: *Co-operative Wholesale Annual*, 1893.

exercised a certain check upon individual rapacity, even in the provinces. It was never, perhaps, a very wise control; and it carried less and less weight in Nottinghamshire. At the same time, many of the home-workers, already hit by the agrarian revolution, were becoming dependent upon merchants and lesser middlemen for the hire of their frames, and were being subjected to the competition of pauper apprentices who, when they grew up, themselves necessarily became frame-hirers. As early as 1710, there was frame-breaking in London, due to the surplus of apprentices, and to depression from the disuse of bright colours and fancy patterns. Merchant employment constantly increased, at the expense of individual work. With the lapse of the old control, quality deteriorated; and the complaint resounded that honest workmanship had become impossible. Wages fell, and work became precarious, while bread was rising to famine prices. The London company being now powerless to help them, the workers founded, in 1776, what was, perhaps, the first modern trade union. They then obtained the introduction of a parliamentary Bill to fix and regulate pay and frame-rents. Inquiry showed that the renting system was a means of extortion, and involved a continual surplus of productive power which kept many workers at starvation point. The Bill was thrown out; but, after the smashing of a hundred frames in Nottingham, a scale of payments was agreed to which held till the end of the century.

And here we come to the great difference: it was comparatively easy to hitch a steam-engine to the loom; the knitting-frame remained a hand machine until the middle of the nineteenth century. Adaptations were invented: in 1758, Jedidiah Strutt patented his attachment for making ribbed hosiery; in 1764 began the modification of Lee's frame on which the machine-made lace trade is based. Silk knitting centred in Derby, woollen in Leicester, cotton in Nottingham. The number of stocking-frames did not greatly increase till after the war. In 1812, there were estimated to be 30,000; in 1833, 33,000, mostly for making cotton hose, engaging 73,000 workers, and a floating capital of more than a million sterling. The net-machine, rude as it was, had brought the patentees large fortunes; when the patent expired, it was simplified and improved, so that the output was multiplied twelve-fold, and a quantity formerly valued at £5 could be sold for 2s. 6d. In 1833, it was estimated that the bobbin-net trade embraced 837 machine owners, and a capital of nearly two millions sterling. The net earnings of male operatives were said to average 16s., of women 6s., and of children 2s. 6d., a week.

The hand lace-maker suffered; but the more important occupation of stocking-knitting remained, in the main, as it had been, a domestic industry. The knitter was always poor, but he had not to wage an impossible battle against a steam-machine; and, while it was limited to hand-labour, the

industry pursued a fairly even development. In 1804, there was an unsuccessful attempt to revive the regulative powers of the London Company. Parliament was again asked to suppress " spurious " or " cut-up " goods, and to fix a minimum wage. The Luddite outrages, because their authors commanded general sympathy, proved rather more effective. After the repeal of the combination laws, the frame-work knitters' union gathered strength. There were still dire days before them; but by the time a rotary action was given, and steam power was applied, to the stocking-frame, free trade was accomplishing its beneficent work; and still many years were to pass ere the great body of the trade passed into the factory stage. That the hosiery manufacture thus escaped a degrading convulsion must be the chief reason for the preservation of a high *morale* and intelligence in its operatives, a fact illustrated in their pioneering work for industrial conciliation.

One other among many trades subsidiary to cheap cotton may be here mentioned. Despite heavy duties, the printing of cotton cloths increased tenfold in the first third of the century, thanks to the substitution of metal cylinders engraved with the pattern, in place of wooden blocks, and, at a later date, to the introduction of multi-colour printing.

Something was done, and more attempted, during the first twenty years of the century to improve the now seriously inadequate means of travel,

communications, and the transport of goods. To modern eyes, the levying of rates at toll-bars seems a very crude way of finding money for road-building; but in its time the turnpike system, despite unsound finance, inequality of incidence, and various abuses, brought with it great benefits. The packhorse, the lumbering-waggon, the migrating herd of cattle no longer received first consideration. Fast coaches carried passengers and mails daily between the chief towns; lighter types of waggon, cart, and carriage followed the tracks firmly laid by Telford and Macadam, and, in turn, brought a crop of comfortable hostelries in their train. The height of the coach and turnpike period was reached in 1837, when tolls yielded a revenue of a million and a half sterling.

At a cost of over five millions sterling, a network of 2600 miles of canals had been created in England, with 276 miles in Ireland, and 225 miles in Scotland, during the latter half of the eighteenth century. The port of London may almost be said to have been reconstructed with the opening, in 1800-1, of the Grand Junction and Paddington canals, and in 1802-6 of the West India, London, and East India Docks.

The "railroad" was already familiar, and the steam coach was an accomplished fact; the steam locomotive was still to come. Wooden rails—narrow planks bound by "sleepers" at intervals—had long been in use at mine-heads and the waterside for the easier carriage of heavy goods. The

Coalbrookdale works had begun to make iron rails in 1767; the first iron tramway available to the public on payment of tolls was opened between Wandsworth and Croydon in 1803. In 1811, there were 150 miles of such iron tracks in connection with the canals, collieries, and iron-works of South Wales. Trevethick's high-pressure steam locomotive, tried at Merthyr Tydfil in 1804, proved more expensive than horses. In 1811, Blenkinsop was more successful with his cog-wheel and rack engine, at Leeds. Two years later, William Hedley's "Puffing Billy" and "Wylam Dilly" were running at a colliery near Newcastle; and in 1814 George Stephenson's first engine, the "Blucher," drew a load of thirty tons at four miles an hour up a gradient of 1 in 450. While the experimental period was thus wearing to a close, many snorting vehicles were carrying adventurous passengers upon the high roads. In the early days of the locomotive engine, indeed, steam omnibuses were crowded; and perhaps it was chiefly the heavy turnpike tolls and the resistance of the horse-coach proprietors that prevented them from developing as the motor-bus has done in our own time.

Meantime, steam power was being more easily applied to water carriage. Robert Fulton had constructed a small steamer, which behaved very indifferently in a trial trip on the Seine in 1803. Napoleon, viewing haughty Albion from his camp at Boulogne, proved inexplicably, incredibly, blind to the American inventor's blandishments. In

1807, Fulton's "Claremont," with an English-built engine, covered the 142 miles up the Hudson River from New York to Albany in 32 hours—the first successful long trip. A steam barge had run on the Thames in the first year of the century; but it was not until 1812 that a regular passenger service was started, Henry Bell's "Comet," a boat forty feet long and of four horse-power, running between Glasgow, Greenock, and Helensburgh, at five miles an hour. In 1815, a paddle-steamer built at Glasgow, and brought round by sea, began to ply on the Thames from London to Margate; and we soon read that "from the costliness of these vessels, their extensive accommodations and splendid decorations, they are universally designated 'steam yachts.'" [1] This was the great time when the China clippers could do as much as 436 sea miles in a day's sail, thanks to build and rig, and not less to the skill and daring evolved in two hundred years of maritime adventure. Science and money do not easily overcome such rivalry as this; and in 1835 the estimable Dr Lardner could still describe as "perfectly chimerical, as much so as a voyage to the moon," the voyage from Liverpool to New York by steam which was, in fact, made three years later.

The reaction after the war affected the volume of

[1] Leigh's *New Picture of London* (1818), where it is estimated that there were then 10,000 steam-engines in Great Britain, doing the work of "225,000 brewers' healthful horses," which would have needed 1,237,500 acres of land to provide them with subsistence.

British sea-traffic even more seriously than the war itself had done. The registered shipping belonging to Great Britain had been doubled between 1783 and the end of the century, had then risen to 2½ million tons in 1816, and fell somewhat short of this figure in 1820. Except in 1810, 1814-15, and 1818, foreign trade varied little from the level of 30 millions of imports and 40 millions of exports through the two decades.

### V. The First "Over-Production" Crisis

Returning to the course of events after Waterloo, we note the alarming appearance of a phenomenon which was to become a characteristic feature of nineteenth-century industrialism,—the wave-like movement of economic life between extremes of "glut" and "boom," depression and a fever of speculative expansion. Fluctuations, of course, there had always been; and periodic outbreaks of speculative mania had occurred ever since joint-stock-trading had risen to exploit the wealth of the newly discovered East and West. But, before the Industrial Revolution, there could be nothing like the modern "trade crisis," the special feature of which is the trouble variously termed "over-production" or "under-consumption." Natural conditions, social conditions, and State policy all made it impossible. Capital, credit, labour, and commodities were so limited in supply that there was little possibility of excess power of production, and

therefore little speculation; and the restrictive policy of the State made it still less. Widespread famine sometimes occurred, and much more often a local dearth. Nearly everything depended on the produce of the land. The failure of a harvest might mean terrible suffering, as it does among the Russian peasantry to-day. Even this sort of mischief, however, was of a different and more limited kind than it now is. The Russian peasant suffers not from a simple harvest failure, but from the coincidence of a bad crop with a burden of taxation proper only to a sound and wealthy industrial State. He has to sell his corn in a foreign market to pay the interest on enormous foreign loans; and he has to sell at the international price, whatever it may be. The small subsistence farming which was the prevalent type in England until the middle of the eighteenth century offered no glorious rewards; neither did it involve the penalties of modern agriculture, in which a general famine is impossible, but prices, credit, and taxation may at any point be factors as important as the weather. Morland's pictures and the poems of Gray and Goldsmith may idealize the old rural order; yet the significance of this broad fact, that the sturdy yeoman and the hardy commoner disappeared, leaving the wealthy landlord and the pauperized wage-labourer in their place, cannot be denied. In industry and trade, the transformation gradually became a much more considerable affair, and, necessarily, in its early stage, the gain was least

and the loss greatest. It was an interval of sheer anarchy. The old economic organization was destroyed; a new organization was not created. A magical power of multiplying commodities fell into greedy hands, without any social restraint. The local market was outgrown; so crude were banking and transport, we can hardly speak of there being a national market before the railway era; and foreign commerce was chiefly a disturbing factor, leaping forward and falling back according to the fortunes of the great war.

There was, therefore, in the early trade crises of the century, something evil belonging to the old order, and something which we have only come to understand in recent years. We may liken the one to an injury, the other to a contagion. More depended then than now upon home agriculture, which directly engaged a third of the population, and in most years could feed the remainder also. If a crop failed, every humble table in the land immediately suffered. If the harvest was abundant, prices fell and the farmer gained nothing. The impossible ideal of the landed classes who dominated in the State was to maintain scarcity prices in days of plenty. Thus, to the natural fluctuation of crops, the long irregularity of foreign supplies owing to the war, and the terrible weight of taxes, was added the artificial obstruction of the Corn Law. Reasonable enterprise in farming was killed by this system as surely as the consumer was injured. Manufacture and trade partook no less, perhaps more, of the nature

of gambling. In the new machine industries, especially, the power of production was so much enlarged that prices could fall greatly and yet profits increase. The spirit of competitive adventure was restrained, however, neither by wise calculation, nor by social pressure. The art of marketing, as we now have it, was undreamed of. All the available skill was used in cheapening processes; the rest was left to chance. After Waterloo, shiploads of goods were hurried off to the Continent and America; and no one seems to have been so much surprised as the owners to find that they could not be sold except at ruinous prices. These are crucial examples of the direct economic shock or injury.[1]

As experience cured this kind of blunder, the second sort of mischief, which we have likened to a contagion, became more pronounced. The old static, localized life was rapidly passing away. The great mass of the people had come to depend on wages, generally on day wages. They had no other resource, no reserve power with which to resist

[1] The following export figures illustrate the fluctuations of this period :—

| | Bar Iron (tons). | Pig Iron (tons). | Brass and Copper Manufactures (cwts.). | Woollen Cloths (pieces). | Cotton Goods (£ millions). |
|---|---|---|---|---|---|
| 1814 | 15,468 | 307 | 73,248 | *638,369 | 20 |
| 1816 | 20,870 | 953 | 128,044 | 467,222 | 15·5 |
| 1818 | 42,095 | 3048 | 148,490 | 446,872 | 18·7 |
| 1819 | 23,765 | 906 | 115,998 | 340,044 | 14·6 |
| 1821 | 34,093 | 4484 | 149,444 | 375,464 | 16·0 |
| 1825 | 25,613 | 2815 | 90,054 | 384,880 | 18·3 |

* 1815.

the pressure of competition, exploitation, or fluctuation. Merchants and manufacturers were similarly falling subject to forces beyond their own control —variations of demand, price, and credit. And, in all this, there was a new sensitiveness, a quickness of reaction which carried waves of stimulus or discouragement, alternately, from one trade to another, from end to end, and from bottom to top, of the economic structure. Panic or elation—slow-going at first, under cover of the fourpenny newspaper stamp, then riding behind Stephenson's " Rocket," finally flashing over land and under sea by the electric cable : and never an attempt, only here and there in some heretical brain the vaguest idea of an attempt being some day made, to convert the Government of the land into a guiding intelligence amid the scramble for bread and wealth. We shall see trade crises succeeding one another throughout the century, developing into an irregular cyclic movement, extending in scope and complexity with the international extension of commerce and the mutual dependence of businesses, and provoking at length a general revision of political-economic theory. At the outset, it is a story of Homeric simplicity in which everybody seems to be fighting desperately, and nobody seems to understand why. Certainly not the " four-bottle " statesmen of the Oligarchy, now watching the arena with some vague alarm.

People were astounded that peace did not bring immediate prosperity with it ; they would have

been still more astounded if they could have looked forward over the next thirty years. It is difficult even now to imagine the utter exhaustion and derangement produced by twenty years of warfare coinciding with radical economic change. Of such a diseased condition, there can be no sudden cure. Fifty millions of Government expenditure were suddenly cut off; while taxation was reduced by seventeen millions—a relief urgently necessary, which must in time bring a healthy reaction. But the first result was seen in the disbandment of three hundred thousand soldiers and sailors, who swarmed over the country either competing for wages with men already in desperate straits, or falling upon the poor rates. The whole Western world was pinched. Some day harvests might grow more richly for the blood shed on the Napoleonic battlefields, but not yet. Little more than a coastal belt of America was under the plough. The very fact that England approached nearly, in normal times, to a self-sufficiency of food supply made it difficult in emergency to obtain other resources; and the rise of prices was always much greater than the deficiency of the harvest. Thus, wheat ran up from 52s. 6d. in January 1816 to 117s. in June 1817. At the former date, rural labourers were thrown out of employment; at the latter, the acutest distress appeared in the industrial towns.

The harvest of 1816 was one of the worst ever known. It was estimated that a quarter of the

agricultural rent of England, some nine millions sterling, had to be remitted, and that thirteen thousand persons emigrated. There was a general withdrawal of credit; and many small banks failed. Perhaps the worst suffering was in Ireland, where the peasants were eating mustard-seed, nettles, and potato-tops. In East Anglia, there were serious riots, with rick- and barn-burning —a new omen. In the Fens, the cultivation of the low-lying land was largely abandoned. Gangs of discharged labourers made a devastating march on Ely; thirty-four of them were sentenced to death, and five were actually executed. In the Midlands, there was a recrudescence of the Luddite riots, many lace-frames being destroyed in the Loughborough district. The cessation of Government orders for small arms was severely felt in Birmingham, where, out of a population of 84,000, about 27,500 were receiving parish relief in 1817. Brougham told the House of Commons that the average wage-rate of a thousand weavers had been 13s. 3d. a week in 1800, slightly higher in 1802, 10s. 6d. in 1806, 6s. 7d. in 1808, 5s. 2d. in 1816, and " had now reached the fearful point of 4s. 3½d., from which, when the usual expenses paid for the loom were deducted, there remained no more than 3s. 3d. to support human life for seven days. How could people sustain existence on such a sum? He had been told that half a pound of oatmeal daily, mixed with a little salt and water, constituted the whole food of many of them. Charity was

out of the question—the case was far beyond it."

Iron furnaces were blown out, coal-pits closed, and factories shut. A body of unemployed colliers set out for London to present a petition and two waggons of coal, which they dragged with them, to the Regent. They were stopped by the police, and returned peacefully to their bare homes. Many families, forbidden relief for lack of a legal "settlement," wandered about the countryside, begging. Others were carted thither and hither among the fourteen thousand parishes of England at the cost of the rates, in a mad endeavour of each district to throw off all but its own paupers. Irish immigration was already making itself felt. In the report of the Commons Committee on mendicity and vagrancy (1816), we read of a certain court of twenty-four houses near Portman Square, London, where seven hundred Irish lived in squalor, distress, and profligacy, totally neglected by the parish, and banned by their neighbours. The tribe of Dick Turpin plagued the high-roads no more; but the city was infested at this time with thieves, the police often being in league with them; and covered places like Covent Garden were the scenes of nightly orgies, in which men and women, boys and girls, took part. There is hardly a ray of reason in the social prospect. A rural M.P., Mr Curwen, proposed the abolition of poor rates, and the substitution of a contributory insurance system administered by parochial committees. He was

laughed out; and, a generation later, Harriet Martineau thought it "scarcely necessary to dwell upon the practical absurdity of this benevolent dream." The absurd dream has been reduced to business fact in our own day.

## VI. Pioneers of Reform

This black year, 1816, was the year of Coleridge's *Christabel* and *Kubla Khan,* of the third canto of *Childe Harold,* of Scott's *Antiquary* and *Old Mortality.* Keats was working at *Endymion,* De Quincey at the new German metaphysics. It could hardly be said of these that they were "cradled into poetry by wrong." Circumstance puts its stamp even upon genius. In the light of the events of the time, the "Romantic Revival" appears mainly as an evasion of painful realities, an escape from the choice between subservience and rebellion, by a flight into the realms of the supernatural, the supererotic, the barbarian, the medieval. In the sensuous riot of *The Erl-King,* my Lord Castlereagh is forgotten for a few moments. The best that can be said is that England, being less emasculated than the Continent by long warfare, does not sink to the same depth of morbidity. But everywhere the Romantic movement is contaminated with sex license, opium, insanity, and suicide. "My flame is still Marianna," Byron writes from Venice to Thomas Moore (Dec. 24, 1816); and he continues: "And now what

art *thou* doing? Are you not near the Luddites? By the Lord! if there's a row, but I'll be among ye! How go on the weavers—the breakers of frames—the Lutherans of politics—the reformers?

> "As the Liberty lads o'er the sea
> Bought their freedom, and cheaply, with blood,
> So we, boys, we
> Will *die* fighting, or *live* free,
> And down with all kings but King Ludd."

So through two more stanzas—"an amiable *chanson* for you, all impromptu. I have written it principally to shock your neighbour —, who is all clergy and loyalty, mirth and innocence, milk and water." Shelley, indoctrinated by his father-in-law, Godwin, shocked his neighbours to better purpose, risking his Muse in outbursts which echo alternately the utopian individualism of *Political Justice* and the thunders of Paine's *Rights of Man* and *Age of Reason*.

In commoner soil political ideas were germinating that were to grow strong, and presently to govern British life. The propertied and ruling class, by whatever party names it called itself, was now saturated with the self-defensive instincts to which Burke had given a formal and effective, if not exactly a philosophic, expression. Yet the voice of humane sympathy was never quite silenced.[1]

[1] The protest of Lords Lauderdale and Rosslyn against the Act of 1812 making machine-breaking a capital offence deserves to be quoted: "We think it our duty strongly and in distinct terms to

Some of the ablest of the Whigs were developing towards what was to be called Liberalism; and an independent school of Individualist Radicals was beginning to gather. In 1815, Malthus stated clearly the doctrine of rent—the surplus of the price of the produce of land over cost of production, this cost on the worst land regulating the price of the whole supply. In 1817, in his *Principles of Political Economy and Taxation,* Ricardo proclaimed the tendency of wages to fall to subsistence level, and laid the basis of the orthodox economics of the near future. We shall return to these thinkers. While they wrote, there was appearing in another quarter the first glimmer of a real democratic movement. It was confused in its ideas; ignorant men played havoc with its enthusiasm; but it had two sources of strength. Poverty was, for these pioneers of reform, a fact of daily experience, not an abstraction for theoretical analysis. There is, too, something very British in their faith, after a lifetime of disappointment, that, with an effort, the State could be made the servant of the people. On ways and means, they were vague and instable. We see here, in fact, in germ, the mixed elements still represented in British working-class life by the trade unions and co-operative societies, the Independent Labour

reprobate the unprecedented folly of attempting to enlighten the minds of men in regard to what is beneficial to themselves by increased severity of punishment; whilst every sound principle of criminal legislation makes us regard such an addition to the long list of capital offences with astonishment and disgust."

Party, the Fabian expert, wire-pulling for the commonweal, the "Single Tax" enthusiast, and even the "Syndicalist" advocate of "direct action." Not that there was yet any definite prevision of Socialism, or anything like a philosophy of justice by violence. The violence was instinctive, driven by despair, though it proved so contagious in the case of the Luddite outrages as to suggest to alarmed minds a diabolical organization. With the definite commencement of a popular demand for Parliamentary reform, violence subsided. Paine, soldier and martyr of liberty, had died in 1809; but his "soul was marching on." It was now that Cobbett gained his great vogue. In November 1816, he boldly reduced the price of his *Weekly Political Register* from 1s. 0½d. for a single octavo sheet to 2d., or 12s. 6d. per hundred copies. The *Register* found its way wherever men could read; it was read aloud in village taverns and town meetings, and continued to be a force till Cobbett's death in 1835.

From this time, the Radical press (aided, from 1814, by steam printing) became the chief formative influence upon popular opinion. Small groups of reformers sprang up all over the country, meeting sometimes in Methodist chapels, and requiring a subscription of a penny per week from their members. The leaders were humble men who had received a little education in Sunday School, and some practice in running local friendly societies. Knowing nothing of this world, so touchingly

revealed to us in the recollections of the Lancashire weaver, Samuel Bamford, the Government thought, or pretended to think, that there was going to be an '89 in London. Cobbett was denounced as a sedition-monger, even while he was penning his open letter against the Luddites. A House of Commons elected by some fifteen thousand persons, its majority, indeed, appointed by two hundred wealthy patrons, the chief of them members of the other House, was not likely to give a sympathetic ear to the demands of the Hampden Clubs, the Union Clubs, the Spencean Philanthropists, and other bodies of agitators for annual Parliaments and universal suffrage. Rather was it concerned to extend the game laws, already very severe, by making a poacher, or even a suspect, liable to transportation for seven years. Canning thanked God that the House of Commons did not reflect the popular will. This superciliousness of the Oligarchy was not its worst fault, or the next twenty years might have passed less unhappily. There was no organized revolutionary movement; but there was almost universal discontent. Francis Place, the Information Bureau incarnate of Hume and his Radical friends, declared that the Government employed *agents provocateurs*. They admittedly employed spies; on the strength of informers' reports they undoubtedly misrepresented innocent agitation, and punished it, as dire conspiracy.

The Spenceans, who anticipated the agrarian doctrine of Henry George, "the poor harmless

Spenceans," as Place called them, "with their library consisting of an old Bible and three or four small publications, a high priest under the name of librarian, and some forty or fifty followers," [1] were held up to obloquy as authors of the Spa Fields riot. This was, in fact, a mob-march from Bermondsey to Cheapside, where the demonstrators and the crazy youngster who led them were met, faced, and easily dispersed, by the Lord Mayor, two friends, and five constables. The description of the affair by a secret Parliamentary Committee as "a most formidable organization of desperate men" did not prevent the City Council, a week later, from petitioning the Throne in favour of reform, and declaring its grievances to be "the natural effect of the rash and ruinous wars, unjustly commenced and pertinaceously persisted in." The strength of the reformers lay in the ill-repute of the Government, not in any capacity or organization of their own. With Bamford's aid, we can see them, the Hampden Club of London, at one of their meetings in the Crown and Anchor Tavern. There is Sir Francis Burdett, in the chair, a little higher than the rest, proudly condescending; Major Cartwright, a veteran (bald-headed and gentle, he still sits in effigy in Cartwright Gardens, near St Pancras); Cobbett, jolly, obstinate, pugnacious, shrewd, the supreme type of "John Bull" as Reformer [2];

[1] Graham Wallas, *Life of Francis Place*, p. 121.

[2] Miss Mitford spoke of Cobbett at this time as "a tall, stout man, fair and sunburnt, with a bright smile, and an air compounded of

"Orator Hunt," a blustering demagogue; and Lord Cochrane, unaffectedly cordial. There is Dr Watson, perhaps a real Jacobin; and there are almost certainly some Government agents in the group. The air is pungent with tobacco smoke; and each man has a pot of porter before him. There are motions and amendments, and points of order, very naïve and harmless.

But when a missile was thrown at the Regent, on his return from opening Parliament, and this was followed by a foolish attempt to march a body of petitioners—the "Blanketeers," so called from the blankets and knapsacks which they carried—from Manchester to London, all reasonable counsels were swept aside. The Habeas Corpus Act was hastily suspended; and three Coercion Acts were pressed through, for the prevention of "seditious" meetings, the punishment of attempts to tamper with the army, and the special protection of the Regent. On April 1, 1817, at the Leicester Assizes, eight men were convicted of Luddite outrages, and six were executed a fortnight later. In June, a band of men, armed with pikes and some old guns, marched from Pentridge to near Nottingham under the leadership of a framework-knitter named Brandreth, whose family had received poor relief. They were stopped and chased by a party of soldiers;

the soldier and the farmer." Bamford adds that "he was dressed in a blue coat, yellow swansdown waistcoat, drab kersey small-clothes, and top-boots. He was a perfect representative of what he always wished to be, an English gentleman farmer."

ultimately, three of them were executed, eleven were transported for life, and four for fourteen years, while five were imprisoned for various terms. Lords Landsdowne, Erskine, and Holland told the Government plainly that there was no evidence of a wide revolutionary spirit, and that the real troubles were due to genuine discontent. Romilly declared his belief that the whole of this "Derbyshire insurrection" was the work of Government emissaries. Bamford was arrested on suspicion of high treason, brought to London, examined five times before the Privy Council, and then discharged. A State prosecution of twenty-four reformers at York broke down completely. But the Government scored one point: on March 28, 1818, William Cobbett fled to America. During his two years' absence, the agitation collapsed.

An access of speculative excitement was now taken for a general revival of trade. Prices, both agricultural and industrial, recovered sufficiently during 1818 to stimulate enterprise. An interesting sign of this is to be found in a well-organized strike of Lancashire cotton-spinners, maintained, by subscriptions and levies on other trades, for ten weeks, but unsuccessful in the end. The relief was quickly reflected in Parliamentary and public discussion. Habeas Corpus was restored. Several small measures were passed to prevent the payment of wages by "truck." The evil operation of poor-law relief in lieu of wages, which we shall consider more fully in our next chapter, was mooted in

reports of a Committee presided over by Sturges Bourne; and, in the following year, a small reform was effected. Another Committee, under Brougham, exposed the scandalous lack of popular schools, and the abuse of educational charities. According to Brougham, there were in England 166,000 children in endowed schools, and 478,000 in schools dependent entirely on the casual support of the parents—a total of 644,000 scholars, or one-fourteenth of the population, as compared with one-twentieth in Wales, and one-ninth in Scotland (where every parish had at least one school). There were also 5100 Sunday Schools, having 452,000 scholars. Out of 12,000 parishes in England, 3500 had no school of any kind. £35,000 had been spent in 1816 in purchasing the Elgin Marbles. A million pounds was voted in 1818 for building churches. The idea of spending State money on instruction for the common people was dismissed as foolish and dangerous. In vain a few enlightened men demanded the restitution of moneys left by "pious founders" for the education of the poor, and diverted, or merely stolen.

Taxation remained inordinately heavy. The unredeemed debt stood at £791 millions in 1819, and the charges, including Sinking Fund, at £45 millions. No Budget could be squared without a fresh loan. The resumption of cash payments, inevitable as it was, and long overdue, was for long after 1819 a serious disturbing factor, since debts contracted in depreciated money had to be paid

at full value. To cap all, the trade revival suddenly ceased. Drought in the shires was followed by stagnation and a fall of wages in the towns. Parliament was at once inundated with petitions for increased corn duties and poor-law reform. Robert Owen's scheme for a system of farm colonies, and his successful experiment in model industrial conditions at New Lanark, were much discussed. The agitation for parliamentary reform sprang up with new force, led at Westminster by Lord John Russell, and in the North by bodies of men who now commonly assumed the name of Radicals. For the first time, also, we find women participating with men in working-class meetings. Large demonstrations were held during the summer in Yorkshire, at Glasgow, Stockport, and Birmingham. One of them, the occasion of the "Peterloo Massacre," was to become famous in history. Bamford, one of the lesser leaders, prints a convincing account of what occurred. Full notice had been given that a county meeting was to be held on St Peter's Field, Manchester, to demand abolition of the Corn Law and a representative House of Commons. No objection was raised.

In the hot, sunny morning of August 16, 1819, contingents of quiet men, decently attired in their "Sunday best," carrying flags and laurel branches "as a token of amity and peace," well marshalled, with a few bands of music, tramped up to town, and took up their position in a dense mass, between fifty and eighty thousand strong, near the

"hustings." There was no interference, so far. But a large military force, including horse artillery, had been gathered; and, directly the meeting was opened, a force of mounted yeomanry (consisting chiefly, it was said, of local manufacturers) and 320 Hussars were launched upon it, the apparent aim being to arrest the speakers. Under this onslaught, and in the consequent disorder, six or eight of the demonstrators were killed, and between four and five hundred were injured. The thing itself was not so bad as the crass stupidity of its authors, and the commendation they received in the highest circles. The news sent a wave of indignation rolling through the country. Carlyle, looking back to this and like events, spoke of "the treasury of rage burning, hidden or visible, in all hearts ever since, more or less perverting the efforts and aim of all hearts ever since."

"The worst of it all is," Sydney Smith thought, "that a considerable portion of what these rascals say is so very true." Earl Fitzwilliam and the Duke of Hamilton were more sympathetic. Earl Grey, Lord Erskine, and others protested that the Peterloo meeting was perfectly legal. But the Government was deaf to all sense, and succeeded in exciting Parliamentary alarm so far that six separate "gagging" Acts were rapidly passed, effecting, as Sir James Mackintosh said, an almost complete suspension of the Constitution. The Seditious Meetings Bill limited the right of attending meetings to local residents, and required a prior notice

signed by seven householders. The Blasphemous and Seditious Libels Bill enacted severe punishment, including transportation, for second offences. The Misdemeanours Bill expedited the procedure in such cases. Another Act prohibited military training, except under authority of a magistrate; and the Seizure of Arms Act gave powers of search and arrest. Finally, the Newspaper Act required the payment of stamp duties on all the cheap, small pamphlets which were the chief means of ventilating public opinion at the time.

On his accession, early in 1820, George IV justified this Metternichian programme by reference to a "flagrant and sanguinary conspiracy lately detected." The nearest approach to such a thing of which evidence remains lay in two events far removed from each other, without any general support, and crude to the point of absurdity in design and execution. The first was the Cato Street Conspiracy, a wild project to kill the Ministry when they were at dinner together. An informer revealed the plot; its existence was known and talked of in Ministerial circles six weeks beforehand. London, however, was duly "panic-stricken" by the "discovery."[1] Thistlewood, the leader,

[1] "Those who are old enough to have a distinct recollection of those times are astonished to think how great was the panic which could exist without any evidence at all; how prodigious were the Radical forces which were always heard of, but never seen; how country gentlemen, well armed, scoured the fields and lanes, and met on heaths, to fight the enemy, who never came; and how, even in the midst of towns, young ladies carried heavy planks and ironing

and four others were executed; and five persons were transported for life. Edwards, the spy, or *agent provocateur*, disappeared, to enjoy his pay. In the following April, placards were posted in Glasgow announcing a strike; and forty or fifty men marched to Kilsyth with the crazy notion of seizing the Carron Iron Works. The yeomanry dispersed them in the "battle of Bonnymuir"; and three of the leaders were executed. The fact seems to be that the plight of the working people was too desperate to leave them any energy for revolutionary plotting. Some respectable witnesses say that the winter had been marked throughout the manufacturing districts by an awful silence. The opening of the Indian markets had greatly stimulated the cotton trade; and it had grown with especial rapidity in Glasgow. The spinners, who were said to number a third of an artisan population of 200,000, could just make ends meet. Weavers' wages were no more than 5s. 6d. a week in 1819. Many families, thrifty and upright (there was no poor relief for the able-bodied in Scotland), were starving. Wages in Manchester and Salford ranged from 6s. to 10s. a week, for a fifteen hours' day. The Yorkshire woollen manufacture had shrunk by one-fifth in two years. A petition from Coventry in 1820 represented that it had become customary to use roast wheat instead of tea and

boards to barricade windows in preparation for sieges from thousands of rebels whose footfall was listened for in vain through the darkness" (Harriet Martineau, *History of the Peace*, i. 319).

coffee, and prayed for protection from the excise officers. At the end of the year, there was some improvement, especially in the cotton trade. But the agricultural outlook was as black as ever. Wheat was varying between 60s. and 70s.; and, though the Corn Law had conspicuously failed to prevent a frequent and acute fluctuation of prices, the most vocal demand of the farmer was still for more protection.

Amid much puzzlement over these disturbing phenomena, one conviction was rising clearly and strongly in the mind of the more enlightened statesmen: that commerce and production must be liberated from the thousand and one restrictive laws by which folly and selfish interest had encumbered them. The nature of international exchange was more accurately understood than hitherto; and Lord Lansdowne, in 1820, could appreciate as well as another Lord Lansdowne in 1913 the mechanism of foreign trade.[1] The

[1] Liberty of trade, he said, should be the rule, and restriction the exception. There ought to be no prohibitory duties as such. The Navigation Laws should be relaxed; an entire freedom of transit trade would encourage the warehouse system, and make our ports a depot for foreign nations. He showed the absurdity of the preference to Canadian timber, especially satirizing the argument that the longer voyage gave us the benefit in freights. "If a person were to make an offer to carry all the mails of this country, using twice the number of horses that were at present used, would that be considered as a recommendation of the new proposal?" Nor could it be said that Russians would not take our manufactures in return for their timber. They took them indirectly, through Germany. "Whatever we received must be paid for in the produce of our land and labour, directly or circuitously. If better and cheaper materials were imported, both manufacture and shipping would be stimulated" (*Hansard* for 1820, i. 555).

Commons' Committee then appointed reported that "all restriction on trade, of whatsoever nature, was an evil, only to be justified by some great political expediency; and, where such expediency was not clear and manifest, the restriction should be removed." A simplification of the hundreds of protective statutes and a relaxation of the Navigation Laws were specifically recommended. Generally, it may be said that, from this time on, Protection rested on vested interest and fear of economic disturbance, not on any accepted theory. In the case of manufactures, which enjoyed an *ad valorem* tariff privilege of one-third or more, the defence was becoming very weak; but, as yet, few leading men dared to contemplate the abolition, or even an immediate lowering, of the corn duties. With the tabling of the London, Glasgow, and Manchester petitions, in May 1820, however, the principle of Free Trade was placed effectively before the country. The petition of the London merchants, drawn up by Thomas Tooke, author of the well-known *History of Prices*, is a political classic, and perhaps the best of all very short statements of the case for Free Trade. Incidentally, we may note the following clauses as an answer to those who have held that the case was ever made by its advocates to depend upon the action of other countries: "That nothing would more tend to counteract the commercial hostility of foreign States than the adoption of a more enlightened and more conciliatory policy on the part of this

country. That although, as a matter of mere diplomacy, it may sometimes answer to hold out the removal of particular prohibitions or high duties as depending upon corresponding concessions by other States in our favour, it does not follow that we should maintain our restrictions in cases where the desired concessions on their part cannot be obtained. Our restrictions would not be the less prejudicial to our own capital and industry because other governments persisted in preserving impolitic regulations. That, upon the whole, the most liberal would prove to be the most politic course on such occasions."

## CHAPTER III

### THE LOWEST DEPTH, 1821–1834

### I. Rural England in the 'Twenties

The rural life of England between the close of the great war and the Poor Law reform of 1834 was markedly different from that of either the preceding or the succeeding ages. The common lands had gone; except in the neighbourhood of the new industrial centres, the commoners were now wage-labourers on the land, dependent upon the small share that fell to them of artificially high prices, or upon parish doles. The yeoman-farmers were disappearing under the triple pressure of rent, rates and taxes, and violent fluctuations in the value of their crops. To the superficial observer, the immanence of an agrarian crisis was not evident. The country was cultivated as it had never been before. The great estates of the aristocracy and the lesser demesnes of the business gentry stretched far and wide, with new barns, trim hedges, clean ditches, fat herds at pasture, root-crops that the irrepressible Cobbett, riding by, hailed as parables of political Radicalism,[1] and waving grain as

[1] "Our system of husbandry is happily illustrative of our system of politics. Our lines of movement are fair and straitforward. We destroy all weeds, which, like tax-eaters, do nothing but devour

to which the only doubt was whether there would be a ruinous abundance.

This was the golden age of fox-hunting and game-preserving, of the hunting parson and the farming parson. On the main turnpike roads, the stage-coach and the gentleman's travelling carriage kept up a mild simmer of excitement; but, in general, the village was still self-contained and self-sufficing. Over its three estates—parson, farmers, and labourers—the squire wielded an almost unquestioned sway. Usually, we may believe, it was a good-natured, though rarely an enlightened, despotism. The squire was a man of the past, a relic of the national settlement of a century earlier, untroubled about religion now that Popery and Puritanism were equally impossible, confirmed in his Tory instincts by youthful memories of the Paris Terrorists and Napoleon. The Oligarchy needed him, and he felt some glory reflected into his corner of the shires from the London salons and clubs. Great as the difference might be in wealth and power, he rightly felt himself to be nearer in essentials to the Duke, and even to "the King, God bless him!" than to the illiterate and demoralized creatures who cowered in the shadow

the sustenance that ought to feed the valuable plants. Our nations of swedes and cabbages present a happy uniformity of enjoyments and of bulk, and not, as in the broad-cast system of Corruption, here and there one of enormous size, surrounded by thousands of poor, little starveling things. The Norfolk boys are, therefore, right in calling their swedes *Radical swedes*" (*Rural Rides*, i. 28).

of Hall and Park. His utmost adventure would be a small imitation of lordly experiments in high farming; but there were liberal squires here and there who would try to catch something of the easy, common-sensible temper that distinguished the protagonists at Westminster, from Walpole to Palmerston. Bluff, hale, and hearty, the squire thought better of rats than poachers; he hated, because he simply could not comprehend, any show of manly independence in the "common people." But he lived and died among his folk; he was not tainted with the love of wealth as such; he thought the greatness of England still depended upon the patriarchate of his own diminishing class. Probably he viewed as suspiciously as roaring Cobbett himself the mansions and lodges and suburban houses of the "Squires of 'Change Alley."

The country parson, thanks to the Corn Laws, was considerably risen from the lowly estate of Goldsmith's Dr Primrose. A gentleman, a magistrate, and the squire's boon companion, his position was virtually recognized even by the Nonconformists, until the repeal of the Test and Corporation Acts in 1828, and the removal of Roman Catholic disabilities in the following year, made a semblance of equality among Christian preachers. The semblance has never become a reality on the English countryside; and, in those days, tithe was a burden for which there was rarely any sort of compensation. When enclosure had its full effect, and rural depopulation began, the parson often

became an absentee tithe-collector.[1] In August-September 1826, Cobbett, on one of his rides through Wiltshire, looked down from a hill by Heytesbury into Somerset. "In looking down this vale," he wrote, "one cannot help being struck with the innumerable proofs of a decline in point of population. There are twenty-four parishes, each of which takes a little strip across the valley, and runs up through the arable land into the down. There are twenty-four parish churches, and there ought to be as many parsonage-houses; but seven of these are stated to be unfit for a person to reside in. Two are gone; there are no parsonage-houses in those two parishes; there are the sites; there are the glebes; the tithes remain, and the parson sacks the amount of them. The falling down and beggary of these parsonage-houses prove beyond all question the decayed state of the population. . . . Twenty-one of the twenty-four parishes have only 4170 souls, men, women, and children. What, I ask for about the thousandth time, what were these twenty churches built for? Some of them stand within a quarter of a mile of each other. They are pretty near as close to each other as the churches in London and Westminster are. . . . As to the produce of this valley, it must be at least ten times as great as its consumption, even if we include the three towns that belong to it. I am sure I

[1] There was a certain Prebendary of Winchester who held two rectories in Kent and an advowson in Devonshire. One set of his parishioners became anxious as to his whereabouts, and advertised; it was then found that he had for some time been living in Rome.

saw produce enough in five or six of the farm-yards, or rick-yards, to feed the whole of the population of the twenty-one parishes. But the infernal system causes it all to be carried away. Not a bit of good beef, or mutton, or veal, and scarcely a bit of bacon is left for those who raise all this food and wool. The labourers here look as if they were half-starved." [1]

The farmer is the least sympathetic figure of them all. Twenty years of agricultural speculation had sapped the rough manliness of the type, producing a divorce of classes which proved in the end to be as injurious to the middlemen as to those beneath. War prices and protective duties had yielded a margin of parasitic profit, the most of which went to the landlord; but enough was left to the farmer to encourage expectations, ambitions, and habits that were foredoomed to a bitter punishment. For, as his most powerful critic said: "The gay farm-houses with pianos within were not *improvements*. The pulling-down of 200,000 small farm-houses, and making the inhabitants paupers, was not an *improvement*. The gutting of the cottages of their clocks, and brass kettles, and brewing-tackle was no *improvement*." Above all, the reduction in the number of labourers, their wages, and the length of their hiring (now never more than eleven months—lest a "settlement" should be produced) was not the way in which the rural problem could be solved; and the system of poor

[1] *Rides*, ii. 66-70.

allowances, which had been originally chosen as a means of evading the obligation to pay a living wage, was now, in the dark days of the long peace, an insupportable burden.

Market-day in the county town did not suggest any such gloomy reflections as these. Through the length of the main street, a jolly bustle broke the six-days' sleep. In the low, crowded shops, the ladies of squire and parson were laying in the week's supplies of grocery, chandlery, drapery, and quack medicine. The cobbled streets rattled with the wheels of private carriages bearing glorious crests; and postboys tootled the arrival of the "Express" coach from the nearest city. Now shone the merry countenances of mine host of the George, the Bell, or the Swan, and of his buxom spouse, famed artist of sirloin and pasties. Sons and daughters, stableboys and maids—every hand is busy in the kitchen, or around the overflowing board. In the evening, there may be a County Ball or a Hunt dinner; and then the ladies will share the fun. Thus the gentry kept up their spirits. They called it "keeping up the County."

Once their complacency was broken, as by a volcanic eruption. The *Jacquerie* of the autumn of 1830 is much more significant than the town riots, following the rejection of the Reform Bill, by which it has been somewhat overshadowed. It began in Kent, perhaps provoked by an importation of Irish labourers, more certainly by the supersession of hand labour by threshing-machines. The first

symptom of trouble was the delivery of threatening letters signed "Swing"; then stacks were burned, and threshing-machines broken. The fever of incendiarism spread rapidly. Within two or three weeks, mobs of labourers were scouring the county, levying food, and demanding of the farmers a wage of 2s. 6d. a day. In November, the movement extended into Sussex. Except as a precedent, "the conduct of the peasantry," said the *Times*, "has been admirable. Each parish has, generally speaking, risen *per se*; in many places, their proceedings have been managed with astonishing coolness and regularity. . . . Where disorder has occurred, it has arisen from dislike of some obnoxious clergyman, or tithe-man, or assistant-overseer. The farmers universally agreed to their demands." [1] They were, indeed, to some extent sympathetic, as were other classes. There was considerable difficulty in recruiting special constables and yeomanry; the troops were fully occupied in the large towns, and could not easily be moved from place to place, even when they could be spared. Thus, the landlords, isolated and helpless, bowed before the storm. Deputations, sometimes headed by a Nonconformist minister, waited

[1] In *The Village Labourer*, Mr and Mrs Hammond suggest that the success of the rising in Kent and Sussex was "due partly, no doubt, to the fact that smuggling was still a common practice in those counties, and that the agricultural labourers thus found their natural leaders." It is possible, also, that an infection may have been brought from Ireland, where the peasantry were familiar with every expedient of agrarian revolt.

upon them, and they promised to give what was asked. Village meetings were held, at which scales of wages were fixed by agreement. By the end of November, Berkshire, Hampshire, and Wiltshire were afoot. Large mobs of labourers, often accompanied by small farmers, went about levying contributions from householders, demanding a wage of two shillings a day, and, if refused, destroying the threshing-machines. Two workhouses, those of Selborne and Headley, whose draconian régime was notorious, were burned down.

When the South Midland counties, from Gloucester to Northampton and Buckingham, became affected, and the mysterious "Swing" joined hands with the equally unknown "Captain Ludd," the Government took fright. Troops were moved into the disturbed districts; magistrates were assured of support in any coercive step they could take. Lord Melbourne issued a circular forbidding the fixing of wages; every kind of meeting was prohibited. The movement collapsed as rapidly as it had arisen. Eight hundred men were tried, and many were capitally convicted. Only four were actually executed; hundreds of others were transported or imprisoned. London recovered from its panic in time to enjoy the Christmas festivities; but a plain word of the *Times* must have remained in some minds: "Let the rich be taught that Providence will not suffer them to oppress their fellow-creatures with impunity."

## II. Degradation of the Labourer

"Oppress?" Mere poverty, even the extremest, does not justify this hard word. But the *Times* and the Reformers were right: rural England lay under an oppression, deliberate and systematic, debasing to body and mind, and had so lain for thirty-five years when the Southern labourers made their last wild fight for justice. No system of oppression is quite as simple as it seems; and this had several contributory elements—the Corn Law, which forbade cheap food to the poor; the Combination Laws, which forbade them to unite for the protection of their only property; the Enclosure Laws, which had made them serfs on their fathers' lands, and other works of the borough-mongers' Parliament which, with eyes blind and ears deaf to their misery, enacted such iniquities as these. But beyond all in importance was the system, the foundation of which we have traced to the Pelican Inn, Speenhamland, of substituting parish doles for a living wage.

The system had become greatly elaborated when it was finally exposed and denounced by the famous Poor Law Commission of 1834; and we shall describe it as it then stood, with the aid of the Report of the Commission, one of the most remarkable of all British State documents. Most summaries and commentaries upon it written at the time, or in the following half-century of *laisser-faire* liberalism,

do an injustice to its authors[1] by leaving the impression that the great evil of the old Poor Law was a "dangerous liberality," a "loose administration," and that the English labourer was a naturally depraved being who was, in some mysterious way, enabled during the first third of the nineteenth century to exploit the unfortunate ratepayer with the aid of tender-hearted magistrates. This is a caricature of history. Without idealizing the labourer, or defaming the other and more powerful parties to any social arrangement of that time, mere probability would indicate, and the Report clearly proves, a very different balance of responsibilities.

This, briefly, was the Poor Law System forty years after the first establishment of allowances in aid, or in lieu, of wages. Relief was given both in kind and in money. In the former case, the subsidy generally took the form of exemption from rates, or payment of rent out of the parish fund. Food and clothes were also given. But money payments were more common; and the Report describes five varieties of allowance which were found to be in operation; 1, relief without labour; 2, the "allowance" method proper; 3, the "roundsmen" method; 4, parish employment; and, 5, the "labour-rate" method. In the first of these cases, the family received a daily

[1] They were the Bishops of London (Blomfield) and Chester, and Messrs Sturges Bourne, Nassau W. Senior, Henry Bishop, Henry Gawler, W. Coulson, James Traill, and Edwin Chadwick.

or weekly sum, so long as they were in need. Sometimes a small bribe was given to induce them to remove to another parish. It was "more usual to give a rather larger weekly sum, and to force the applicants to give up a certain portion of their time by confining them in a gravel-pit, or in some other enclosure, or directing them to sit at a certain spot, and do nothing." The second case is the original Speenhamland method of grants in aid of wages. In some places, it was resorted to only occasionally. Elsewhere, it was systematic, "forming the law of a whole district, sanctioned and enforced by the magistrates, and promulgated in the form of local statutes under the name of *scales*." The base of calculation was the price of bread—thus, a single woman received from the parish the price of three quartern loaves per week; a man, his wife, and three children, the price of eleven loaves per week. Additions were made in case of sickness or other special kind of distress. The Chelmsford scale was based on the price of flour per peck; and, as this varied from 1s. 6d. to 7s., the family "make-up" or "bread-money" varied from 9s. 4d. to £1, 11s. 4d. a week. It will be seen that the invitation to fraud was flagrant, and not less so the invitation to large families, legitimate or other, for "the birth of a child endows the parent with an allowance, whatever his income." Theoretically, the allowance was reduced according to the ascertained earnings of the applicant. All the more reason why the earnings should not be ascertained. "Many of those who

at particular periods of the year, receive wages far exceeding the average amount of the earnings of the most industrious labourer, receive also large allowances from the parish. The third variety of relief, the "roundsmen" system, consisted in "the parish paying the occupiers of property to employ the applicants for relief at a rate of wages fixed by the parish, and depending not on the services, but on the wants, of the applicants, the employer being repaid out of the poor rate all that he advances in wages beyond a certain sum. This is the house row, or roundsmen, or billet, or ticket, or stem system." That is, the pauper was hired to the farmer at a price, and the difference between this price and the scale was made up by the parish. In some places, there were regular weekly auctions of unemployed paupers[1]—the nearest approach modern England has made to the slave trade. Relief by parish employment, the fourth variety, was very unusual, only accounting in 1832 for £354,000 of a total poor relief expenditure of over seven million pounds. The reason is obvious. Not only did the demoralized men object to steady, organized labour. Not only was there no staff equal to the task of organization. As the Commissioners plainly say: "Parish employment does not afford direct profit to any individual. Under most of the other systems of relief, the immediate employers of labour can throw on the parish a

[1] *First Report of the Commissioners for inquiring into the Administration and Operation of the Poor Laws in* 1834. Reprint, 1885. P.P. 347, p. 20.

part of the wages of their labourers. They prefer, therefore, those modes of relief out of which they can extract profit under the mask of charity." Finally, there was the "labour-rate" system, consisting in "an agreement among the ratepayers that each of them shall employ and pay out of his own money a certain number of the labourers who have settlements in the parish, in proportion not to his real demand for labour, but according to his rental, or his contribution to the rates, or the number of horses that he keeps for tillage, or the number of acres he occupies, or according to some other scale."

Upon the relations of the Poor Law to the helpless, we need not dwell at any length. Outdoor relief of the impotent, a subject of anxiety for strict administrators at a later date, had not then given rise to any very considerable abuse. The workhouse was badly governed; lunatics,[1] invalids, prostitutes, and children were herded promiscuously; and it is evident that the genuine poor must have suffered by the drain of funds in allowances to the able-bodied. The practice of adding to the widow's pension an addition for her children, and generally a larger addition if they were illegitimate, was denounced as inviting immorality and idleness. But the Commissioners reported that "the allowances to the aged and infirm are moderate."

The substantial evil was not, then, the loose,

[1] An Act was passed in 1828, the first of the kind, to provide for the care of pauper lunatics.

sentimental charity which it is the aim of instructed philanthropists to-day to repress. It was something very different, very much less innocent, something it is only possible to understand if we keep in mind the course of events traced in the preceding chapters. We saw that the "Speenhamland policy" had a negative and a positive side. The minimum wage demanded by the more intelligent labourers was refused. Doles were established instead, not out of any overflowing generosity, but because the people—their common rights lost for ever, and their village industries ruined—were at starvation point, and they must have some trifling share in the system of loot known as the Corn Laws. But why were "allowances" maintained so long? Why were abuses tolerated under which poor relief cost over seven millions sterling in 1832, nearly as much as in 1818, when the reaction after the great war led to the extremest distress? There is no doubt about the oppressiveness of the rates. An extreme case is cited of a parish in Bucks, where they rose from £10 in 1801 to £99 in 1816, and £367 in 1832, when they "suddenly ceased in consequence of the impossibility of continuing their collection, the landlords having given up their rents, the farmers their tenancies, and the clergyman his glebe and tithes." The good parson, in fact, proposed—strange idea!—that the land should be handed over to the able-bodied paupers, who, within two years, he believed, "would be able and willing to support themselves." In many districts, farms

were left tenantless because the rate could not be paid. Sometimes, the small ratepayer was in a position actually less favourable than that of the subsidized pauper. The whole system put a premium upon fraud, perjury, and vicious idleness. And still it was maintained—not by the votes of the men, who had none, but by their masters. A Committee of the House of Commons in 1817 pointed out the gathering evil; and, by 59 Geo. III, c. 12, the power of the magistrate to order relief was somewhat restricted, and the removal of Irish and Scottish paupers, the appointment of representative vestries and paid assistant-overseers, and the rating of the owners of small tenements were authorized. The assessment diminished down to 1824—the year when peaceful combinations to raise wages were first allowed. Then it began to rise again; and, ten years later, the situation was so grave that reform was unavoidable. Without doubt, the degradation of the labourer had become widespread by this time. How could it be otherwise? A pauper, said the Commissioners, "has all a slave's security for subsistence, without his liability to punishment. As a single man, indeed, his income does not exceed a bare subsistence; but he has only to marry, and it increases. Even then, it is unequal to the support of a family; but it rises on the birth of every child. If his family is numerous, the parish becomes his principal paymaster. A man with a wife and six children, entitled according to the scale to have his wages

made up to 16s. a week, in a parish where the wages paid by individuals do not exceed 10s. or 12s., is almost an irresponsible being. All the other classes of society are exposed to the vicissitudes of hope and fear; he alone has nothing to lose or to gain. . . . Can we wonder if the uneducated are seduced into approving a system which aims its allurements at all the weakest parts of their nature, which offers marriage to the young, security to the anxious, ease to the lazy, and impunity to the profligate?" [1]

There is evidence that this profligacy was sometimes confused with what we should now consider legitimate attempts at political agitation; while it sometimes led to riot and a kind of outrage better known in Ireland under the name of "moonlighting." The Commissioners speak of popular discontent in that terrible period being everywhere based upon a belief that all men had a right to a subsistence—it was, indeed, a belief grounded, not in the doctrine of the Chartists or the French Revolution, but in the ancient law and custom of the land, only recently discarded. In this connection, several significant references are made to the agrarian riots of 1830. "The violence of most of the mobs seems to have arisen from the idea that all their privations arose from the cupidity or fraud of those entrusted with the management of the fund provided for the poor. . . . Wherever the objects of expectation have been made definite,

[1] *Report*, p. 37.

where wages upon the performance of work have been substituted for eleemosynary aid, and those wages have been allowed to remain matter of contract, employment has again produced content, and kindness become again a source of gratitude." And, referring to crime in 1830: "Partly under the application of force, but much more under that of bribes, that paroxysm subsided; but what must be the state of mind of those who have to calculate every winter whether they may expect to be the victims of its return? What would each resident in a disturbed district then have given to have saved to himself and his family not merely the actual expense, but the anxiety, of that unhappy period?"

Perhaps this appeal to fear exaggerated the facts. At the darkest moment in the darkest period of the history of England, there was no reason why the governing class should stand in awe of the poor labourers of the countryside—until they had votes, and freedom of movement and combination. At present, they had neither land, nor money, nor arms; they were forbidden to combine; they could not even move from their parish in search of work without losing their "settlement," the claim upon relief which might be their only escape from starvation; they lost harvesting and other extra opportunities to Irish immigrants on this account. The sturdiest of them were drifting into the slums of the manufacturing towns, whither we shall presently follow them. What power of intimida-

tion was left in the ever feebler remnant of the village where Wellington's soldiers were born, ill-fed, ill-clothed, ill-housed, uneducated, and now hopeless and degraded? Yet some fear there was, and well might be.

Of this the evidence leaves no possibility of doubt—the report of the Poor Law Commission alone suffices to establish it: the effective cause of the ruin of the English labourer was the rank, obstinate, and widespread selfishness of the land-holding class and their dependants. Mr and Mrs Hammond say of the process of enclosure what I should rather say of the systematic refusal of a living wage which followed, that "the governing class killed by this policy the spirit of a race." Any such disruption must work immeasurable havoc; and, while the ablest economists have been belied by time, the passage of generations has but emphasised the truth of the poet's warning that the destruction of "A bold peasantry, their country's pride," must be an irreparable loss to the nation.[1]

[1] Even in 1775, Goldsmith saw to the heart of the matter. It may be recalled that, in *The Deserted Village*, he sings the sad fate of the emigrant, and refers pointedly to robbery by enclosure:

> "Where, then, ah! where shall poverty reside,
> To 'scape the pressure of contiguous pride?
> If, to some common's fenceless limits stray'd,
> He drives his flock to pick the scanty blade,
> Those fenceless fields the sons of wealth divide,
> And even the bare-worn common is deny'd.
> If to the city sped—what waits him there?
> To see profusion that he must not share,
> To see ten thousand baneful arts combin'd
> To pamper luxury, and thin mankind."

It is conceivable that, had agriculture been resettled upon a base of wage-labour, and rested on it exclusively as manufacture has done, the rural labourer might have climbed up to the light like the artisan in the towns. Base influences, conscious and unconscious, personal and of wider range, forbade it. "The great source of Poor Law maladministration," say the Commissioners, "is the desire of many of those who regulate the distribution of the parish fund to extract from it a profit to themselves." Thus, "the employers of paupers are attached to a system which enables them to dismiss and resume their labourers according to their daily, or even hourly, want of them, to reduce wages to the minimum, or even below the minimum, of what will support an unmarried man, and to throw upon others the payment of a part, frequently the greater part, and sometimes almost the whole, of the wages actually received by their labourers. . . . High rates, too, are a ground for demanding an abatement from rent; high wages are not." The practice was highly infectious, very few farmers having the intelligence or courage to anticipate recent conclusions as to the "economy of good wages." Even when the farmer, being the owner of his land, had an interest in keeping the rates down, "he may be interested in introducing the allowance system into the neighbouring parishes, if he can manage, by pulling down cottages or other expedients, to keep down the number of persons having 'settlements' in his own parish.

Several instances have been mentioned to us of parishes nearly depopulated, in which almost all the labour is performed by persons settled in the neighbouring villages or towns, drawing from them as allowances the greater part of their subsistence, receiving from their employer not more than half-wages even in summer, and much less in winter, and discharged whenever their services are not wanted." Most landlords, in fact, "seem to have acquired habits of thinking and feeling and acting which unfit them to originate any real or extensive amendment." Of the lesser interests involved, the owner of jerry-built cottages who found in the parish a generous and safe tenant, the petty shopkeeper and publican who attended the vestries to vote allowances to their customers and debtors, the officials who winked at jobbery and fraud, we need say nothing.

It is not to be supposed that these evils were universal in rural England. On the other hand, they were not limited altogether to the countryside. "In towns," the Commissioners say, "the allowance system prevails less, probably because the manufacturing capitalists form a small proportion of the ratepayers, and consequently have less influence in the vestries, than the farmers in country places. But even in the towns it exists to a very formidable degree." Here, as in the country, the small shopkeeper might gain more from dole-receivers than he lost as ratepayer; and the owner of small cottage property might obtain parish tenants, and

be exempted from poor-rate. As to the lower grades of manufacture, the Commissioners say: "The object of machinery is to diminish the want not only of physical, but of moral and intellectual qualities on the part of the workman. Judgment and intelligence are not required for processes which can be performed only in one mode. Honesty is not necessary where all the property is under one roof or in one enclosure, and where it is difficult of sale. Under such circumstances, it is not found that parish assistance necessarily destroys the efficiency of the manufacturing labourer. Where that assistance makes only a part of his income and the remainder is derived from piece-work, his employer insists, and sometimes successfully, that he shall not earn that remainder but by the greatest exertion. (Unlike the farmer) the manufacturer who can induce or force others to pay part of the wages of his labourers actually may be a pure gainer by it; he really can obtain cheap labour"—of course, at the cost of other manufacturers, other owners of rateable property, and of unmarried labourers. This argument is illustrated by cases from the Leicestershire hosiery trade, ribbon-weaving in the villages round Coventry, the small workshops in Birmingham, the cloth trade in Devonshire, and the Nottinghamshire stocking manufacture.

The Commissioners were not required to pursue the subject further than this. They could not foresee that, with two and a half times the popula-

tion in 1901, agriculture would maintain only about the same number of persons as in 1831, and a considerably smaller number of labourers.[1] It is possible, however, that the indirect effects of village pauperization have been as grave as its direct results. The wage of every man affects the wage of every other man, and the "man at the margin" especially influences the whole process. The effect upon wages at the docks, for instance, of a new influx of unskilled labour, as after the Irish famines, is very evident. It is less often realized that the removal of an element of stability in the lowest wage-strata weakens the whole structure, that the degradation of the humblest clophopper radiates, as it were, a wave of degradation to the highest level in the world of industry. In no other way can the lowness of wages in many departments of manufacture be accounted for. These businesses represent, as compared with earlier methods of production, enormous economies. It can be statistically demonstrated that the reward of capital has increased much more considerably than the reward of labour; doubtless, the consumer has also gained very largely. Labour in industry has been affected

[1]

| 1831. (*England and Wales.*) | | 1901. | |
|---|---|---|---|
| Population . . | 13,897,187 | Population . . | 32,678,213 |
| Occupied in agriculture . . | 1,075,912 | In agriculture . . | 1,103,758 |
| Including—Occupiers employing labourers | 161,188 | Including — Farmers and relatives (about) | 310,000 |
| Occupiers not employing labourers . | 113,849 | Nurserymen, etc. (about) . . | 125,000 |
| Agric. labourers . | 799,875 | Agric. labourers (about) | 612,000 |

adversely in relation to the other factors by the large increase of population, and by the competition of nations on a lower with those on a higher level; but a more potent influence throughout Western Europe in the nineteenth century has been the severance of the country-folk from the soil, their desperate flight to the towns, and their mad destruction of one another in the struggle for bread.[1] In England, this thing need never have happened. For more than half a century, British manufacturers had nothing to fear from foreign competition. Prodigious profits were made; and the natural increase of population could be easily absorbed. Yet the almost miraculous economies of machine-production are only microscopically reflected in the wages even of skilled artisans; and in the lower levels hunger is always a next-door neighbour. The largest single agent in this melancholy result of a century's invention and toil is rural demoralization and the unceasing rural exodus.

### III. Un-Natural History of the Slum

The outcasts created the Slum, the worst of the disease marks of *laisser-faire* industrialism. The disease varies somewhat; but there is a norm most readily to be found, perhaps, in some of the lesser Lancashire factory centres. The town was once a sleepy community built around a small market-

[1] Arnold Toynbee remarks, however, that "the efficiency of English manufacturing labour is largely due to the very fact that it is not able to shift on to the land" (*Industrial Revolution*, p. 103).

place, on a small river, surrounded by green fields and moorlands. Immigration, due to enclosure and high farming, had gone on slowly before the substitution of steam for water-power brought the factory in from the lone hillside. Henceforth, there is a ceaseless demand for workmen's cottages; and, the movement of aggregation being driven by necessity, not choice, they are thrown up haphazard, as rapidly and cheaply, and as near to the factory, as possible. Water-supply, exigencies of transport, and other considerations—among which the proximity of the workers' ghetto, the labour market, comes to be one of the most important—lead to the concentration of factories within the same small area.

The town grows, and grows. A rather larger type of cottage is built, with cellars which can be sub-let to the less fortunate late-comers. There is now no pretence whatever of a "garden"; and the "yard," if not literally measured, contains a very limited number of feet. Gaps in the grimy rows of houses are filled up, what had once been open courts and tiny squares being closed to sun and air, save for covered entries. The spaces are further abbreviated; then the narrow lanes between them disappear, and we have a region of back-to-back cottages, many already decayed, all poorly built, badly supplied with water, ill-drained or undrained, a ready nursery for epidemic disease. In larger towns, there is this variation—the building of factories, markets, docks, and rail-

way termini makes a central residence in time less desirable for the merchant class. As they move out after fresh air, the helots seize upon their discarded mansions, divide them up into one-room or two-room tenements, and "pig" there, until dilapidation can no further go.

Writing in 1844, Friedrich Engels, in his *Condition of the Working Class*, describes a walk through the old town of Manchester: "Going from the Old Church to Long Millgate, the stroller has at once a row of old-fashioned houses at the right, of which not one has kept its original level; these are remnants of pre-manufacturing Manchester, whose former inhabitants have left the houses, which were not good enough for them, to a population strongly mixed with Irish blood. Here one is in an almost undisguised working-men's quarter, for even the shops and beer-houses hardly take the trouble to exhibit a trifling degree of cleanliness. But this is nothing in comparison with the courts and lanes which lie behind."

The view from Ducie Bridge he thus describes:—

"At the bottom flows, or rather stagnates, the Irk, a narrow, coal-black, foul-smelling stream, full of débris and refuse, which it deposits on the shallower right bank. In dry weather, a long stream of disgusting, blackish-green slime pools are left standing on this bank, from the depths of which bubbles of miasmatic gas constantly arise, and give forth a stench unendurable even on the bridge forty or fifty feet above the surface of the stream. Above the bridge are tanneries, bonemills, and gasworks, from which all drains and refuse find their way into the Irk, which

receives further the contents of all the neighbouring sewers and privies. Below the bridge, you look upon the piles of débris, the refuse, filth, and offal from the courts on the steep left bank; here each house is packed close behind its neighbour, and a piece of each is visible, all black, smoky, crumbling, ancient, with broken panes and window frames. The background is furnished by old barrack-like factory buildings. On the lower right bank stands a long row of houses and mills; the second house being a ruin without a roof, piled with débris; the third stands so low that the lowest floor is uninhabitable, and therefore without windows or doors. Here the background embraces the pauper burial-ground, the station of the Liverpool and Leeds railway, and, in the rear of this, the Workhouse, which, like a citadel, looks threateningly down, from behind its high walls and parapets on the hill-top, upon the working-people's quarter below.

"Above Ducie Bridge, the left bank grows more flat and the right bank steeper; but the condition of the dwellings on both banks grows worse rather than better. He who turns to the left here from the main street, Long Millgate, is lost; he wanders from one court to another, turns countless corners, passes nothing but narrow, filthy nooks and alleys, until after a few minutes he has lost all clue, and knows not whither to turn. Everywhere half or wholly ruined buildings, some of them actually uninhabited, which means a great deal here; rarely a wooden or stone floor to be seen in the houses, almost uniformly broken, ill-fitting windows and doors, and a state of filth! Everywhere heaps of débris, refuse, and offal; standing pools for gutters, and a stench which alone would make it impossible for a human being in any degree civilised to live in such a district. The newly-built extension of the Leeds railway, which crosses the Irk here, has swept away

some of these courts and lanes, laying others completely open to view. Immediately under the railway bridge there stands a court, the filth and horrors of which surpass all the others by far, just because it was hitherto so shut off, so secluded that the way to it could not be found without a good deal of trouble. I should never have discovered it myself, without the breaks made by the railway, though I thought I knew this whole region thoroughly. Passing along a rough bank, among stakes and washing-lines, one penetrates into this chaos of small, one-storied, one-roomed huts, in most of which there is no artificial floor; kitchen, living and sleeping room all in one. In such a hole, scarcely five feet long by six broad, I found two beds—and such bedsteads and beds!—which, with a staircase and chimney-place, exactly filled the room. In several others I found absolutely nothing, while the door stood open, and the inhabitants leaned against it. Everywhere before the doors refuse and offal; that any sort of pavement lay underneath could not be seen but only felt, here and there, with the feet. This whole collection of cattle-sheds for human beings was surrounded, on two sides by houses and a factory, and on the third by the river, and beside the narrow stair up the bank, a narrow doorway alone led out into another almost equally ill-built, ill-kept labyrinth of dwellings."

Throughout industrial England such object-lessons in discontent met the eye; and we may guess how provocatively they worked in the mind of Karl Marx, vividly conveyed by his friend Engels, and confirmed by Marx's own experiences in London. This scene from old Manchester is, doubtless, an exceptionally black picture, although it would be easy to multiply illustrations as grievous, and it may be noted that, in the last twenty years

of the century, there still remained in Manchester ten thousand back-to-back houses which had to be closed by public authority as unfit for human habitation. There are many factors in the creation of slums other than the normal and general one of concentrated industry in an unregulated community. Individual weakness and vice weigh heavily on both sides of the account: the ignorance, shiftlessness, and viciousness of the more degraded class of workfolk, for these are attracted to the city as well as the honest and vigorous; the greed of rack-renting landlords and usurious moneylenders; the indifference of Bumble and the well-to-do in general. But it is probably a safe rule to minimize all such individual faults when we find ourselves faced by a force of almost universal validity, especially when the weaknesses of the individuals appear to be very largely the fruit of this larger influence. There is abundant evidence to show that a very great part, perhaps the majority, of the working class in the large ports, factory towns, and cities lived, during the first half of the nineteenth century, in conditions of squalor and misery, and that, during that period, they received little help either from the Government or the municipalities, and not much more from private philanthropists, towards the betterment of their wretched homes.

The case of London presents some special features, apart from sheer magnitude, which distinguish it from that of the northern factory towns. The

Metropolis was no mushroom creation of modern industry and commerce, but a growth of long centuries, proud and prosperous ages during which the city held its own against the encroaching power of the boldest national sovereigns, a veritable City-State, standing out from among the miscellany of mere towns and counties by virtue of its wealth, strength, and self-confidence, its dominating traditions and firmly held privileges. The city government was not, at the beginning of the Industrial Revolution, as efficient as it had been; but it spoke for the most substantial body of British citizens, and not seldom it could intervene effectually in their defence. London has had slums for centuries. In the middle of the eighteenth century, grave disorders were already giving anxiety to enlightened magistrates like Sir John Fielding; at the beginning of the nineteenth century, the population was larger than that which to-day taxes the abilities of the city councils of Manchester or Glasgow, with all the resources of modern science at their control. Yet the City Fathers might have risen to their task had it evolved normally. The pressure of the great war, the rise of London as a port, and an unceasing flood of poor immigrants created a complex of problems beyond their wit to control, or even to comprehend. As competitive commercialism grew, and set up its sleeping quarters all over the neighbouring hills, the old civic and communal spirit faded away, and with it the old governing capacity.

The alien elements in London, though never very large in proportion to the whole population, have always been larger and more varied than those of any other British city. They have, perhaps, always justified themselves ultimately by some special contribution to the general life; but at times they have been a serious disturbing influence, and the gain of variety has been commonly offset by a loss of social unity. The difficulties of the factory town, the port, the market-town—each on a vast scale, and with a diversity unequalled elsewhere—are here combined with the concentration of wealth and intelligence due to a national capital. The reasons for the trend of poverty to an East End and wealth to a West End are evident. The distinction is, however, far from being absolute; there have been, and still are, slums, with somewhat different features, at either point of the compass. The relief, periodically necessary, of congestion in the centre has too often meant only the transference of the evil to a jerry-built suburb.

The main stream of traffic has always run parallel with the river, from the Port in the east to Westminster and the residential districts in the west. With the establishment of railway communications, northward and southward traffic was much stimulated. Even in the time of the Great Fire, the inadequacy of the main arteries was felt; and the rejection of the plans of Sir Christopher Wren and Sir John Evelyn for the reconstruction of the City must be regarded as an historical calamity. Ever

since, the wealthier classes have moved outward, stage by stage, followed by a swarm of poorer folk who occupied their abandoned districts. It was thus, for instance, that Soho, once a centre of fashion, became a chief settlement of poor aliens in the Metropolis. Wherever poverty obstructed the main course of traffic, or jostled too flagrantly with wealth, there was some hope of public improvement. In the backwaters, and in the outlying regions, slums grew up without interference. Engels quotes some pitiful instances. Of 5366 families numbering 26,830 persons, living in the Drury Lane region in 1840, three-fifths had but one room per family, and yet paid rents (4s 6d. for a second-story room, 3s. for a garret) amounting to a total of £40,000. In the aristocratic parish of St George, Hanover Square, a thousand families had but one room apiece. In Bethnal Green, at the same time, according to the Rev. G. Alston, there were 1400 houses in a space of less than four hundred yards square, and they contained 2795 families of about 12,000 persons. "It is nothing unusual to find a man, his wife, four or five children, and sometimes both grandparents, all in one single room, where they eat, sleep, and work. I believe that, before the Bishop of London called attention to this most poverty-stricken parish, people at the West End knew as little of it as of the savages of Australia or the South Sea Isles." The *Times* thundered against these scandals. "Let all men remember this," it cried in 1843, "that within the most

courtly precincts of the richest city of God's earth, there may be found, night after night, winter after winter, women, young in years, old in sin and suffering, outcasts from society, rotting from famine, filth, and disease. Let them remember this, and learn not to theorise, but to act."

There had been ten Select Committees between 1798 and 1821 to report on particular improvements (the Port, the rebuilding of London Bridge, the approaches to the Parliament Houses, and so on); and between 1832 and 1851 about a dozen more Committees were appointed for like purposes. But the work was dependent upon the revenue from the coal duties; and, until the Metropolitan Board of Works was set up in 1855, there was no central body to attack the ever-enlarging problem. At that time "districts now connected by broad highways were hindered from easy and direct communication with each other by labyrinths of narrow and tortuous streets and lanes." For thirty years the Board of Works continued, the meagre result of its labours being the construction of about 16 miles of thoroughfare at a net cost of £11,517,000, and the re-housing of less than eleven thousand ejected labourers.[1]

Terrible epidemics of cholera and typhus effected more than Christian Socialist novels, Chartist speeches, and newspaper articles—they made the first breach in the *laisser-faire* doctrine, and pre-

[1] London County Council: *History of London Street Improvements, 1855-97*, by Percy J. Edwards, p. 138.

sented convincing arguments for a new kind of action. The feeble beginning of national schooling and factory inspection, cheaper and better food under Free Trade, railway communications, improved police and other municipal services, the rise of a national health service, the invitation of the Colonies—these and other indirect agencies wrought a great change. It was slow and partial, because the evil constantly grew at one point while it was being reduced at another. Even at the end of the century, it could not be said that the duty of the nation, represented by the State, in regard to the housing of the people had received more than tentative recognition.

The slum is as distinctive a monument of nineteenth-century industrialism as any other; and no true history of the British people can be written without giving it prominence.

## IV. The Radical Reformers

When the discredit of the Throne, now occupied by a rake, and presently by a buffoon, had become flagrant, the Oligarchy could not long evade the choice—reform or revolution. In such a case, popular tumult does but give the final touch to a process of disintegration. The reign of George IV was full of signs of impending change, of contradictory acts eloquent of distracted counsels, and an uneasy sense that to-morrow would be the day of reckoning. The great war was passing into

history; the men who sustained it were men of the past, with no comprehension of the new problems and forces. Even to carry on the routine of government, it was necessary to introduce fresh blood. But the kind of resistance which men like Eldon offered to the rise of Canning, Huskisson, and Peel, shows an infatuation of class-pride most unpromising for a peaceful future. Peel could hardly be treated openly as an adventurer, as the others were, being the son of an immensely wealthy Tory who had received a title for his services, and being, besides, "quiet and modest, never forgetting or concealing the fact of his origin." But, Harriet Martineau adds, "there can be no doubt that, though Mr Peel has managed the fact with all prudence and honesty, and has long risen above the need of any adventitious advantages, he has felt the awkwardness of being the son of a cotton-spinner innumerable times in the course of his career. There is something in the way of his occasionally referring to the fact which shows this." The reluctance of the old Tories to disfranchize the rotten boroughs, their reckless resort to prosecutions for high treason, sedition, blasphemy, and libel, are less significant than this extremity of self-conceit.

Huskisson's admission, as President of the Board of Trade, into the Liverpool Cabinet, in 1823, marks the first preliminary of their surrender. "Really, this is rather too much," quoth Eldon; but rumours from the London Tavern of the effective starting of a national reform agitation, from the

country of Cobbett having got the ear of the discontented farmers, from Ireland of rebellion, famine, and typhus, and from Lancashire of strike riots, were more alarming then anything the Lord Chancellor could say. Something must be done. The debt had actually grown by 11 millions since Waterloo, and the interest by £700,000. Three millions of taxes were taken off in 1821; and the following three years witnessed a distinct revival of trade and manufacture. Huskisson at once began the cutting-down of the Navigation Laws, which was only to be completed sixteen years later. The attempt to give British and Colonial ships a monopoly of trade with Asia, Africa, and America, commenced by Cromwell, had, after the revolt of the American Colonies, led to retaliation, and the absurd spectacle of two nearly related countries sending their ships each to the other in ballast, bringing only return cargoes, and so each doubling its costs of carriage. When this anachronism was ended, after the war of 1814, by a mutual repeal of restrictions, Portugal, Holland, and Prussia demanded the same reciprocal facilities, on pain of retaliation if refused. At the same time, the increase of the Atlantic trade showed how beneficial a larger measure of freedom must be. Accordingly, in 1822 five Bills were carried relaxing the bonds on foreign commerce; and on June 6, 1823, Huskisson introduced his Reciprocity of Duties Bill, by which all duties were to fall equally on all ships, British or foreign, provided that the countries of

their origin established a like equality. The shipowners grumbled; but the measure was quickly justified by the growth of British shipping.

Reform petitions were presented this year from the City of London, Norfolk, and Yorkshire—the last containing the signatures of 17,000 freeholders, two-thirds of those in the county. Nevertheless, Lord John Russell's reform motion was rejected by a three-to-one majority in the Commons. A relative prosperity and calm continued through 1824; and the session was marked by three notable pieces of legislation, repealing the Spitalfields Act, the restrictions on the emigration of artisans, and, most important of all, the combination laws.

The Spitalfields episode illustrates the point of view of these early liberationists. They saw two obstacles to the growth of the silk manufacture. The greater lay in the import duties designed to protect the trade from the competition of French goods of lower price and better design. Thanks to an increased and improved production of raw silk in India, considerable progress had been made of late; and, in 1823, the value of the manufactured stuffs was estimated at 10 millions. The principal silk merchants now petitioned for the removal of the duties on imported materials, opposing, however, any interference with the duties on wrought silk. The second obstruction was the ancient law empowering magistrates to fix for the Spitalfields weavers a living wage—the last relic of a forgotten economic order. Huskisson said he

could hardly account for the existence of such a statute; and it is manifest that he could not understand the petition for its maintenance presented by Mr T. Fowell Buxton on behalf of 11,000 journeymen weavers. The Commons agreed to the repeal by a small majority; but a stronger survival of paternalism in the Upper House was shown by the adoption of several hostile amendments, and the matter dropped. Amid the excitements of 1825, the repeal was quietly carried, without discussion. Coincidently, the import duties both on raw and manufactured silk were greatly reduced. This approach to Free Trade had both a practical and a theoretical value. It took away an indirect bounty from a small class of capitalists, and brought a health and vigour into the business which presently raised it above fear of competition, and even enabled it to export considerable quantities of silk goods to France. It had an even more important effect in helping to extinguish smuggling, which up to this time had cost the country at least a million a year in loss of revenue and in naval and coast-guard expenses.[1]

The repeal of the magisterial power to fix wages in East London had less practical than theoretical

[1] But from 1827 to 1843, just before the complete abolition of the duties, half the silk goods imported from France were smuggled. The consequent loss, either to the revenue (as compared with what it would have been had all imports paid duty), or to the consumer (if the duty had been lowered enough to prevent smuggling), in these seventeen years, was estimated at £38,618,708. *Cf.* Hirst's *Porter*, p. 349.

significance. The system was already dead; this was its burial. It marked the complete abandonment by the community of any influence upon the remuneration of labour; and this full proclamation of *laisser faire* may well have had a moral (or immoral) effect upon the employing class. For, of two possibilities, one must represent the facts. Either the old magisterial power tended to keep wages up, in which case the weavers were right to defend it, and the employers were only seeking to force them to accept lower wages; or the magisterial power was in abeyance or was ineffective, in which case the question was only one of principle, and it was untrue to say that "meddling interference under an antiquated statute" was driving the trade into other districts or abroad. The magistrates of the time were not exactly revolutionary meddlers, nor were they omnipotent administrators. We are told that weavers' wages in Spitalfields fell from 17s. a week in 1824 to 9s. in 1829. This suggests that the judicial power had been effective; but it could not have long remained. In any case, when it was abolished, a class of justices who had been used to exercise a sort of arbitral function between employers and employed came to an end; and a new magistracy exercising little power except that of punishment arose. The weavers now knew the worst. Human labour was to be bought like horse labour, or steam-power, or any other commodity, as cheaply as possible. Ten years later, the silk trade had transferred itself to

the North; and, of 30,000 operatives who had "freely contracted" themselves into the service of 238 mills, one-third were children under thirteen years of age, mostly girls; another third were "young persons," mostly girls, under eighteen, and only 4114, were adult men. The manufacture had greatly expanded; the ladies of the crinoline era could wear two silk dresses where they had only been able to afford one. But what had become of the 11,000 Spitalfields journeymen?

To do the Philosophical Radicals justice, they proceeded at once to an attack upon the laws prohibiting labour combinations. We saw in our first chapter that, when the destruction of apprenticeship and other remains of the gild system began, the creation of trade unionism was inevitable, unless the mass of operatives was to sink into virtual slavery. There was never any suggestion that combinations of masters should be forbidden. When paternalism was abandoned, the men also must be allowed to protect themselves in the only possible way, by union. This development was everywhere delayed by pathetically futile efforts to recover the meagre defence of legal apprenticeship and magisterial arbitration. It was powerfully obstructed by the Act of 1799, expressly penalizing all associations—a measure of alarm due in part to the rapid growth of trade unionism in the Lancashire and Yorkshire textile trades—and by the merciless punishment of strike committees. This is the real origin of the conspirative element

which marked the democratic movement of the next generation. Skilled handicraftsmen were not yet numerous enough to be lightly flouted; but in the textile and other routine trades—where hand-workers, with their old domestic tools, were pitted against the factory machine, and women and children against men—the spirit of greed was unrestrained. Hume and his friends would hardly have been able to manœuvre through Parliament in 1824 the repeal of the combination laws had it not been a postulate of their own economic doctrine that neither by combination nor in any other way could labour secure a higher wage than the play of natural forces gave it. Even so, the majority repented of its good deed in the following year; and, on Huskisson's initiative, the Act was modified so as to penalize association for any but the most peaceful kind of bargaining as to wages and hours of labour. A substantial gain was left, however; and, from this point, trade unionism must be watched as one of the rising powers in the national life.

The second great commercial crisis of the century, that of 1825, illustrates the economic principles of which we spoke in connection with the first; and even more signally does it exhibit the demoralizing consequences upon the more comfortable classes of the loss of a long prevalent social faith, the breakdown of one principle of cohesion in society before another can be established in its stead. The Christian settlement of Western Europe in

the later Middle Ages embodied, however crudely, an essential principle of human government. It recognized the all-importance of economic acts and motives; and, by its faith and its law, it set, or sought to set, bounds upon the lusts of greed and arbitrary power. Although the learned rakes of the Restoration had got men to laugh at the superstitions of what they called the "Dark Ages," it was a gentle laugh, not yet the leer of awakened avarice. It is not the eighteenth century, but this second decade of the nineteenth — the interval between the fanatical careers of Joanna Southcott and Edward Irving, the day of the bodysnatchers and the treadmill—that witnesses the eclipse of faith, and all of morals that rests on faith, in England. What would More and Erasmus have said to a prophecy that, in three centuries, the humanism of the Reformation would have degenerated into a doctrine that reformers should rest content while men and women, boys and girls, are being bought in the market-place like pigs of iron or bales of cotton? Let us stomach the uncomfortable truth that, as the days of persecution are those of deepest conviction, so the men who too easily flatter themselves upon their enlightenment and liberalism may be ministering to license and abetting tyranny. In the Tory factory reformers and Radical Corn Law abolitionists, the twentieth-century student finds a strange confusion of tongues. The Individualists of the Chair did, indeed, reach a logical consistency, by purging their voluminous

writings of all trace of the real life that throbbed around them. How did these ingenious and amiable anarchists, the most influential of all the Utopians known to history, come to wield so large an influence, to dominate the thought of the next generation? Of their personal virtues there can be no question; but of most of their disciples we may safely reply: For the same reason that their opponents maintained the Corn Laws and pauper allowances—because it paid. The Manchester men were perfectly familiar with the view from Ducie Bridge, and with worse things still. They took a very mundane view of the Utilitarian philosophy; and they were too numerous to feel any shame. So deep and universal was the confidence that it would pay, that the havoc of 1825 was soon forgotten; and the very masculine Miss Martineau, telling the tale twenty years later, could shed tears over the victims of the disturbance, and yet discover not an inkling of its real significance.

Schemers and dreamers conspired to blow this gigantic bubble. Companies were formed helter-skelter for the exploitation of ideas, some sound enough, some purely fantastic. Legends of El Dorado glorified the new-won independence of South America; and in four months ten millions sterling was shipped thither in coin or bullion. Miners were sent out to the Andes, and milkmaids to the pampas; the Birmingham merchants, in their eagerness to be first in the market, exported skates and warming-pans to Rio de Janeiro. Such

was the outer fringe of the mania of speculation. The home market was flooded with the paper money of the provincial banks; and, up to the height of the crisis, the Bank of England continued to issue its notes freely. The lowness of the rate of interest favoured borrowing and gambling with borrowed money. From the Ministers at Westminster down to the little shopkeepers and their wives, everyone seems to have succumbed to the fever. During the year, 286 private Acts were allowed by the House of Commons for the establishment of shipping, canal, mining, gas, railroad, banking, and insurance concerns. In Macclesfield, newspaper advertisements announced that there were "wanted immediately from four to five thousand persons, from seven to twenty years of age, to be employed in the throwing and manufacturing of silk." But the imagined gold and silver, pearls and precious stones, of the South shone more entrancingly than any industrial enterprise; and it was reckoned that, in 1824 and 1825, no less than 86 millions of foreign loans were floated.

The crash came in December. The bankers first felt the pressure, then the merchants and manufacturers, then the people at large, fear deepening, as failure followed failure, into widening disorder, and finally into headlong panic. In six weeks more than sixty banks failed. Credit was almost extinct; and, in face of a glut of unsaleable goods, works of all kinds were closed. This time, the

middle classes shared with the workers the suffering of broken hearts and ruined homes; and, if they did not so often feel the pain of actual starvation, they had their own peculiar ignominies of the usurer and the bankruptcy court. The first rioting in the North occurred at Sunderland in August, when the soldiery were brought out against a body of seamen on strike, who had attacked what would now be called a "blackleg" crew. Five persons were killed in this mêlée. Much more serious conflicts occurred in Lancashire during the following spring. Mobs of hungry out-o'-works marched from town to town, looting bakers' shops, destroying machinery (in one day every power-loom in the Blackburn district was smashed), firing mills, and meeting the attack of the troops with scythes, hammers, roughly made pikes, and old muskets loaded with marbles. In Glasgow and Dublin, Trowbridge, Carlisle, Norwich, and Bethnal Green, there were less serious outbreaks.

The Government sat with folded arms through the main period of this social convulsion, declaring that it could do nothing. At last, influential meetings of financiers were held to procure a voluntary restoration of credit. The Mint was set to work coining sovereigns; the small-note currency of the banks was prohibited; and the Bank of England offered advances on deposits of merchants' goods. A quantity of corn in bond in the ports was liberated; and, after the severe drought of 1826, free import of oats, rye, beans, and peas was

allowed. The Colonial Office now began to assist emigration. In 1820, 19,000 English folk had sought happier homes oversea, in the following year 13,000; in the prosperity of 1824 the number fell to 8,000; in the despair of 1826 it rose to 14,000, and probably it would have risen much higher if shipping facilities had been adequate.

It has been estimated that the crisis cost the nation a hundred millions sterling. The figure has no statistical value; but it serves to remind us that, amid the miseries of the decade following the great war, the remissions of taxation and the growth of industry and trade had enabled the middle and upper classes to save money, as well as to enlarge their houses and shops, their factories and estates. Manchester and Liverpool, Leeds, Birmingham, and other cities expanded greatly in this period.

The paving and lighting of streets began; suburban villadom was founded; and the fishing villages of Kent and Sussex found that the bathing-van and the lodging-house might be more lucrative than the smugglers' yawl. Even in the smaller farm-houses, a contemporary tells us, "carpets, china plates, and glasses, are to be seen, instead of stone floors, trenchers, and drinking horns." The savings-banks, opened in 1818, were making good progress. The London Mechanics' Institute, founded in 1823, had over a thousand subscribers, and was being copied by a number of northern towns. The great modern clubs were rising in London; the parks, markets, and streets were

being improved; and the Thames Tunnel was projected. Man-traps and spring-guns were still legal (until 1827), and here and there a lad's body swung on the gibbet over a cowed country-side. But London University, founded in 1835, and the Society for Promoting the Diffusion of Useful Knowledge, founded in the same year by Brougham and Lord John Russell, gave happier auguries; and voices like that of Dr Arnold began to call for a humaner order.

The crisis of 1825 arrested this progress, and made of many improvements so many pledges for future redemption. But it effected a clearance, and it acted as a warning. Many a man accustomed to wealth and privilege learned in misfortune the virtue and need of reform. The liberalism of the Ministry, the disappearance of the Duke of York and of George IV, the more frequent opposition of Commons and Lords, the removal of Catholic and Nonconformist disabilities, the slight modification of the Corn Law by Wellington's sliding-scale in 1828, the stir of the French Revolution, and the opening of the Liverpool-Manchester railway, to which Huskisson's death gave tragic colour, in 1830—these appear now as so many links in a chain of preparation for the crucial struggle in which the Oligarchy was at length overthrown.

Before that year was out, Lord John Russell's Reform Bill had been carried through the Commons, and its rejection by a majority of 41 Peers had led to fresh disturbance. We have already spoken of

the rising of the agricultural labourers in the South, and its suppression. The agitation in the towns could not be suppressed. After the destruction of Nottingham Castle, and the breaking open of the prisons in Bristol and other places, a proclamation was issued declaring the political unions illegal. It had no effect; and the failure of the Government's action against Cobbett for inflammatory writing exhibited the impotence of law when it challenges the anger of a nation. A carnival of outrage and coercion in Ireland, and a fearful visitation of Asiatic cholera, deepened the gloom of the winter. At length, the cry, "To stop the Duke, go for gold," having resulted in £1,800,000 being withdrawn from the Bank of England in three days—and the King having consented to create Peers if necessary—the Bill was swallowed by the Upper House, in June 1832. It disfranchised 56 nomination boroughs, containing less than two thousand inhabitants, which had returned 111 Members, and took away one Member from 30 others, and two from Melcombe Regis and Weymouth, thus vacating 143 seats. Sixty-five Members were given to the counties, two each to Manchester, Leeds, Birmingham, and nineteen large towns, including the metropolitan districts, and one each to 21 other towns hitherto unrepresented. The reformers had demanded adult suffrage; they got nothing of the kind. In the counties, copyholders and leaseholders for years were added as voters to the 40s. freeholders, and tenants-at-will paying £50 a year received the vote.

In the towns, a £10 household franchise was established, and the voting rights of freeholders were restricted. By supplementary Acts, the Scottish representation was increased from 45 to 53 Members (30 for counties, 23 for burghs), and the Irish from 100 to 105, with franchise changes similar to the English.

The power of the landed Oligarchy was broken, but it remained very influential in political, and supreme in social, life. Parliament was now dominated by the middle class; few industrial and no agricultural labourers received the vote. A great change had been made, but so tardily that more must soon follow.

## V. The Railway and Steamship

The opening of the Stockton and Darlington railway, four years after its authorization by Parliament in 1821, was a very modest inauguration of a new economic era. A signalman riding on horseback in front of the engine represents for us the fears of the time; yet to draw a load of ninety tons in thirty-four waggons at a rate of fourteen to fifteen miles an hour was a prodigious feat. It was immediately reflected in freight charges, and indirectly in prices; thus, the price of coals at Darlington fell from 18s. to 8s. 6d. a ton. In 1826, railway building was begun in Scotland, with the Monklands line. In 1829, an English-built engine was running in the United States, and, in the

following year, the evolution of the American locomotive commenced. The last doubts of the commercial value of the new transport-power were removed when, at the opening of the Liverpool-Manchester line in 1830, Stephenson's "Rocket" drew a load of thirteen tons a distance of thirty-five miles in forty-eight minutes. The principal feature of this, the first high-speed locomotive, was the improved steam-blast for increasing the draft in the furnace, so making a smaller boiler possible. Progress in the manufacture of steel has brought in its train many improvements in construction. But essentially the steam-engine of to-day is the steam-engine of Watt and Stephenson; and, when the best engineers have done their best, the railway locomotive remains the least efficient, by waste of fuel and mechanical imperfection, of all steam-engines.

The rate of extension of British railways may be thus shown:

| | | | |
|---|---|---|---|
| 1840 | miles 1,331 | 1880 | miles 17,935 |
| 1850 | ,, 6,635 | 1890 | ,, 20,073 |
| 1860 | ,, 10,410 | 1900 | ,, 21,855 |
| 1870 | ,, 15,310 | 1909 | ,, 23,264 |

1909—Authorised Capital, £1,403,000,000.

In the United States, building proceeded with a more reckless rapidity; the mileage in 1900 was 198,964. Railway construction began in Canada and in Asia in 1853, and at the Cape in 1860. There were in 1907, not counting tramways, 601,808 miles

of railways in the world, more than half being in America, and less than a third in Europe. The difference of methods and conditions of construction is indicated by the fact that the paid-up capital per mile in 1908 was £33,333 in the United Kingdom, and only £10,372 in the United States.

The steamship advanced step by step with the land locomotive, and it is to their co-operation that the vast growth of world-commerce is largely due. In 1820, the "Aaron Manby" made the voyage from London up the Seine to Paris without breaking cargo; in 1832 the "Elburkah," an iron steamer of Liverpool, twice ascended the Niger; and in 1838 the "Great Western" and "Sirius" crossed the Atlantic, in 18 and 15 days respectively. The earliest steam vessels, whether for river or ocean service, were fitted with paddle wheels, and commonly with beam-engines; some paddle-boats remain upon the cross-Channel traffic to this day. But the value of space, the disadvantages of the paddles in heavy weather, the differing depths of freeboard (there will be a difference of 20 feet in the water-line of a modern tramp loaded or light), and the advances of steel machinery, which made possible a faster-running engine, soon led to the adoption of the screw-propeller. The first considerable experiment was the "Great Britain," built at Bristol, 320 feet long, of 3500 tons burden, and 1000 horse-power. In 1844, the number of iron vessels built was so large as to require the establishment of a special Lloyds classification. A decade later, the

great advances of marine engineering began. John Elder's four-cylinder engines (1854-56) introduced much higher steam-pressures, and effected an economy of 60 per cent. in fuel. Double, triple, and quadruple types of compound engine followed. At the same time, the introduction of the double-bottom, of watertight bulk-heads, water-ballast, and other structural improvements have increased both the seaworthiness and the cargo capacity of steamships.

Despite the obstructions raised by human folly, the tides of economic life flow over all political boundaries, and sooner or later fertilize every land. The best that any nation can hope is, by some natural advantage, to get the earliest benefits. Some of the advantages which gave England a long start in the Industrial Revolution were natural monopolies, or were at least owned to an exceptional extent. Such were the proximity of the coal-measures and the iron-beds, and, with this, a humid climate specially favourable to the textile processes; the raggedness of the coast-line, which gave almost every important district access to cheap water carriage, and, with this, the aptness for seamanship natural to an insular folk. Had the new power and machinery been applied only to manufacture, our story would have proceeded on very different lines. But no sooner had the great inventions in productive industry begun to be common property in the most advanced countries, than the railway and marine engineers gave England

the second lift into the Steam Age. Hitherto, domestic development had necessarily followed the waterway and the highroad, on which physiographic conditions were supreme, and speed, as we understand it, was not. Manufacture had been stultified by the smallness of the home market. Foreign commerce, depending only on sea carriage, was relatively easier, limited as were the capacities of the best of sailing-ships; hence, perhaps, those superior foreign interests which made us masters in the councils of Europe while cruel wrongs were bringing our own people to the brink of revolution. The localization and specialization of industry had gone on uninterruptedly for three-quarters of a century; the isolation of manufactures, their remoteness from allied trades and from the customer, was the trouble. The manufacturer wanted a wider choice of situation, a readier exchange of products and of services; the merchant wanted a larger market for commodities; the worker needed a wider market for his labour, cheaper and better food, and generally better access to the good things which invention had brought to birth.

These are the opportunities which the railway created. Steam production gave trade energy; steam distribution gave it the no less essential quality of mobility. Time and space were again repulsed in their eternal struggle with the life-principle. It was a social as much as an industrial revolution. The whole of Western civilization received a new stimulus—a new direction. A vast

levelling of opportunities has followed in the wake of the iron horse. In the main, it has been a levelling up, though lucky individuals have managed to seize by far the greater part of the spoils. Land, both rural and urban, has received, directly and indirectly, an enormous increment of value, without effort on the part of its owners. On the other hand, the masses of the people have profited by the new stimulus to and the new economy in manufactures; by the opening up of large districts lying away from the old highways, and the first realization of their resources; by the development of agriculture, fisheries, and minor industries; and by the complex distribution of ideas through daily newspaper and penny post—both children of the railway.

The most momentous creation of all is, however, nothing less than the modern city, as distinguished from the centre of a single local manufacture, trade, or market. The supersession of an old highway and the towns upon it by some improved line of communications is a very old phenomena in history; and, with the object-lesson of the automobile and electric-car before us, we already know that the steam locomotive is not the last agent of the kind to effect a wide redistribution of the centres of human life and labour. The new facilities of personal movement also aided the concentration of capital, the greater division of labour, the exchange of abilities and of goods. It is easier to feed five millions of people to-day than it was to feed fifty thousand three-quarters of a century

ago. Finally, railway property, commanding, as it has come to do, the whole trade of the country, has gathered round it, in its vast and rapid growth, a great *entourage* of stock speculators, dividend owners, and professional administrators. Professor Hadley estimated some years ago that railways represented a tenth of the total wealth of the civilized nations, and a quarter, if not a third, of their invested capital. A glance at the Statistical Abstract for the United Kingdom will show that an eleventh of the whole property assessed to income tax is of this kind. But such figures do less than justice to the important place which railways have reached in the national economy; for many trades are directly dependent upon them, and, all round, rapid and efficient communications must now be regarded as the basis of industrial life. As this dependence becomes less absolute, we can review impartially the oscillations between competition and monopoly which characterize the Steam Age; and we can appreciate the prophetic affirmation of Mr Gladstone's Committee in 1844 (almost verbally anticipated by Stephenson himself) that "competition would do more injury to the railway companies than good to the public," while, on the other hand, "the effect of monopoly, both on the public directly, and indirectly, on the railway companies, was to be dreaded and guarded against."

## CHAPTER IV

### THE INFLUENCE OF THE ECONOMISTS

To cite the evolution of opinion without regard to the facts out of which it arose is the most sterile kind of history. There is no idealism so transcendental as to be really independent of the time and place of its birth ; and all philosophies, though their authors may not realize it, are somewhere marked with the stain of circumstance. If, indeed, these gifts were as purely celestial as they seem to innocent eyes, they would have little effect upon the minds of ordinary men. For desire is the great digestive, in mind or body ; and philosophies, like grosser goods, are subject to a law of supply and demand. The dumb, groping self-interests of a generation accumulate. They demand intellectual expression—and a David Ricardo or a Karl Marx appears. They demand political expression—and a Liberal bench faces a Tory bench, while a Labour leadership gathers sullenly outside. They may demand religious expression ; and new conflicts of Church and Chapel, Kingsleys and Newmans, Maurices and Puseys, will arise. Literature will respond still more readily and finely ; and you will get, in Scott, Coleridge, Shelley, Hazlitt,

and then in Dickens, Carlyle, Ruskin, and Morris, a picture-gallery reflecting the hopes and hungers, the ideals and anxieties of an epoch. Lastly, science will feel the current of demand; a Darwin will find his keynote in an essay by a country parson, which he took up to read "for amusement," and a Huxley will give back to economics what his master took therefrom.

These reactions of thought and social circumstance, though there is no more entrancing subject, have been insufficiently studied. Why, for instance, did what was afterwards called the orthodox political economy emerge at this particular time; and why did so dry a system as the deductive philosophy obtain a dominating influence in English public life? It is probably true that every new school of thought that has appeared in the history of mankind may be traced to a large social change, an unsettlement, or a resettlement, which required, first, its heralds, then its guides and organisers, and, finally, its faithful few in the day of failure. The new philosophy did not produce the change in social organisation; but, by its analysis and glosses, it quickened an unconscious into a partially conscious process, and provided arguments for the growing number of those who were predisposed to defend it. The *laisser-faire* doctrine had this double strength—it was based upon the greatest economic development of the era, and it gave self-seeking the appearance of something fundamentally beneficent and inexorably necessary.

No more powerful combination of appeal can be imagined; and, gradually, literature, science, religion, and governmental authority were brought into its service. The mass of the people continued to protest; but their chief organ, trade unionism, was deeply affected by middle-class individualism until nearly the end of the century. Then the whole theoretic structure broke down; and it now lies like an old machine abandoned on a slag heap. This is a very remarkable phenomenon; and, without attempting to probe it deeply, we must note briefly its character and consequences.

There are three books more sacred than all others in the history of the old political economy: Adam Smith's *Wealth of Nations* (1776), Malthus's *Essay on Population* (1798, and 1803), and David Ricardo's *Principles of Political Economy and Taxation* (1817). Smith, son of a Controller of Customs, was Professor of Logic at Glasgow University, and the first patron of Watt the inventor. Malthus, son of a Surrey landlord, was vicar of Albury, Essex, where he saw the agricultural labourer at his worst, and Professor of Political Economy at Haileybury. Ricardo, son of a Jewish stockbroker, made a fortune in the same business, bought the Irish pocket-borough of Portarlington (there were only twelve constituents, and he never visited them), and acquired great influence in Parliament by his knowledge of finance, then peculiarly valued. Personal experience of the Customs, the vicarage, and the money-market,

explains some differences between the three men, the lapse of time more. Smith's book was a glorified pamphlet aimed at the politician and man of business; and, synchronizing exactly with the American Declaration of Independence, it drew an indictment of the Navigation Acts, the Protective tariff, and other obstructions to commerce, so effective that the Free Traders of the next century hardly needed further argumentative material. Individualism—the theory that self-interest, operating through a perfectly free competition of specialized units of labour and capital, would automatically procure the greatest good of the greatest number—was hardly more than implicit in Smith. He welcomed Bentham's legal and political elaboration of the principle; his own contribution was altogether concrete. The need of personal freedom was a strong instinct with Smith; but the fact that he admitted, for instance, the need of contract between employers and workmen, because of their inequality in bargaining, and such a phrase as that in which he describes employers as being in a "tacit combination" to restrict wages,[1] shows that he was far from having reached a complete and consistent theory. He

[1] "It is not difficult to foresee which of the two parties must in all ordinary occasions have the advantage in the dispute, and force the other into a compliance with their terms. The masters, being fewer in number, can combine much more easily. . . . Masters are always and everywhere in a sort of tacit but constant and uniform combination not to raise the wages of labour above the actual rate" (*Wealth of Nations*, p. 28).

could have no idea of the revolution his young friend Watt was to accomplish; he did not even live to see the power-loom at work. He will always be honoured as a great liberationist, a forerunner, who, however, cannot be saddled with the errors of the priests who follow him.

Twenty years brought a vast change. The Revolution, triumphant in America and France, threatened in England. Godwin was preaching the revolutionary gospel that poverty is the result of bad government, and conjuring up golden visions, more clearly outlined by Robert Owen, of what England might be under a co-operative commonwealth. Pitt's judges and magistrates and soldiers gave one kind of answer to these apostles of democracy, a dangerous answer, never successful in the long run. Malthus did better. He invented a dogma,[1] a formula duly compounded of miracle and morality, truly Calvinistic in its exclusiveness and its show of relentless necessity, very comforting to the few who could marry "prudently" and save "prudently," properly excommunicative of the rebellious outcasts of the countryside who had just forced the hands of the too benevolent magistrates at Speenhamland. A dogma must be capable of short statement; and our courageous parson did not hesitate to state the whole process of human

[1] The first edition of the *Essay* did little more than marshal a number of quite familiar arguments against the optimism of Godwin. Malthus then concluded that his position "had not perhaps been stated with sufficient force and precision"; the edition of 1803 assumed, therefore, a more dogmatic form.

evolution in a brief mathematical formula, thus: Mankind tends to increase in geometrical, the means of subsistence only in arithmetical, ratio. The sole checks upon this poverty-producing tendency in the nature of things are (1) positive (for instance, war, pestilence, vice), or (2) prudential (for instance, late marriage); and, as movements savouring of democracy or communism—movements to limit competition in labour, for instance—destroy prudential restraint, they are (after the diabolical deity of this creed) the great causes of poverty.

How did this superstition obtain its tremendous vogue? The Malthusian formula is an ingenious falsification. It is false in its parts, and still more false as a whole. If Godwin had had the type of mind to give tabloid for tabloid, creed for creed, he would have come as near the truth as may be in a short statement of a very complex matter by simply inverting the formula. For, as mankind lives, by and large, upon the lower forms of life, and as these forms are visibly more prolific than man himself, it may be said that the power of subsistence always tends to outstrip the power of population—at least up to the point of the actual overcrowding of the whole earth, a contingency sufficiently remote not to concern us. But let us not exaggerate our antithesis. The "tendency" is not static; it is a ratio of two ever-varying factors. "Population" is not always and everywhere the same, nor is subsistence. These are not mathematical quantities. Population does not,

as Malthus suggested, grow, or even "tend" to grow, everywhere and at all times at the same rate; neither is there any single rate of increase of man's means of subsistence. A "law" which can be defeated by "prudence" is evidently no law. A law is a generalization not from some, but from all, of the facts. But if Malthus had allowed for the intelligence without which man does not deserve the name of man, he would have had to revolutionize his formula. It would then have read something like this: So long as man is free and willing to use his brains, his prudence, all the faculties which constitute his superiority, to cultivate the fertility of nature, his subsistence is safe—and only so long. This, however, would by no means have served the purpose. To-day the facts remain, the purpose has only a historical interest. What could be said a century ago, and can be said now with much greater confidence, is that the increase of the means of subsistence depends largely upon man's control over the natural resources and powers of the globe, and that, so long as his knowledge and skill in exploiting this natural bounty grow in proportion to his numerical increase, there is nothing to fear. It is only when, and in proportion as, man becomes degraded, and loses intelligent power over himself and his environment, that that environment ceases to yield to him the fruit necessary to support his increase.

It will be seen, then, that Malthus got his sensational effect by falsifying the two factors of his

ratio—by depreciating the potentialities of natural supply, and by depreciating the intelligence of man, which can as well be used to increase that supply as, by "prudential restraint," to limit his numbers. How did he persuade his generation to accept this double misrepresentation? Substantially, by assuming the permanence of the morbid conditions of his time. We have seen that the mass of the labouring population was, indeed, demoralized, and that the art of conquering Republican France, not the art of conquering Nature, filled the minds of the educated and governing classes. To support his first premiss, Malthus invented a second—the "law of diminishing returns," according to which, at a certain point, the addition of new units of human labour to the cultivation of a given piece of land will result in proportionately smaller return. The case of inferior lands brought into cultivation under the (altogether unintelligent) stimulus of the Corn Laws was the classic illustration. Arnold Toynbee, in one of his rare lapses,[1] says that "this law is true." It was, indeed, for long accepted as a true summary of agricultural experience. But so very little true is it as a résumé of all the facts within modern knowledge that later economists have invented a "law of increasing returns" to account for cases to the contrary.[2] There are cases of increasing

[1] *Industrial Revolution*, p. 87.

[2] Mr J. A. Hobson discusses diminishing returns suggestively in his *Evolution of Modern Capitalism*, pp. 372-74. Prof. S. J. Chapman,

and cases of decreasing returns, the former more frequent in manufacture, and the latter in agriculture; but there is no "law" in either direction, if we use the word "law" with any approach to its significance in physical science.

For Malthus and his friends, however, the idea of universal, inexorable law was essential. If they had merely said that demoralized labourers receiving "allowances" according to the numbers of their families, tend to multiply more rapidly than any subsistence they earn, they might have got the Speenhamland policy abolished sooner; but they would not have explained away other kinds of poverty, and they would have been producing an argument for those who wished to raise, not those who wished to depress, wages. If they had merely said that, under tariff privilege, agriculture is unprofitably extended, they might have got the Corn Laws repealed sooner, but they would have left Godwin and Owen and Cobbett in possession of the field. In neither case would they have founded a school of economics. Darwin would have carried through his researches; but there

in his *Political Economy*, pp. 68-73, distinguishes "abstract laws" from "realistic laws," and gives one each for decreasing, increasing, and constant returns. But he warns the reader that "there is not yet among economists complete agreement upon this matter," and that "one defect of the realistic laws is that they cannot be universally affirmed. We have to introduce such qualifying phrases as 'usually' or 'generally.' The absolute laws attain absolute universality, but only at the sacrifice of immediate applicability." It may be suggested that, when so positive a word as "law" has been thus robbed of all certainty, it is better not used at all.

would have been no generation of political Darwinians to misrepresent the natural order of society as a "struggle for existence." Malthus restricted his ambitions, in the main, to the discovery of one or two "laws" which he persuaded himself were of universal and inexorable operation. This gives him a self-consistency which abler contemporaries did not possess. Bentham possessed it in a high degree; yet he never really reconciled his prescription of a free working of individual self-interests with his statement of the aim of legislation as "the greatest happiness of the greatest number"; or his keenness for popular education, public health, and better communications, with his desire to limit legislation to the negative task of obtaining security for wealth, industry, and contracts. The existence to-day of a "Malthusian League" is evidence of the controversial advantage of a proposition so exceedingly simple as to be apparently self-evident.

Malthus considered his "law" established in "the first six pages" of his essay, the rest being historical illustrations. Ricardo's was a subtler and more powerful mind, and his work admits of no such summary examination. But we may refer briefly to his statement of the wage-fund theory, the so-called "iron-law" of wages. The theory was that the sum of wealth available at any given moment for the payment of wages is not indeterminate, but is fixed by natural law; the capitalists cannot pay less, and the labourers cannot obtain

more. Trade-union action, therefore, cannot at any given time effect a general rise of wages, though it may enable one set of workers to get a larger share of the product at the cost of the rest. Under the Malthusian principle of necessarily excessive population, the number of labourers increases directly wages increase; thus, the reward of labour can rise little above what is necessary for subsistence. Under the Malthusian principle of necessarily diminishing fertility of land, rent will tend to rise as commodities become dearer; and, since the total product is limited, profits will fall. Even if the total to be divided increased more rapidly than the number of labourers, therefore, the best to be hoped for (the rise of prices cancelling any rise of nominal wages) would be that real wages of labour would be stationary.

Time has disproved the proposition; for population has doubled, and real wages have probably doubled, since Ricardo's time. But this dogmatic elaboration of the Malthusian "laws" imposed on nearly all the ablest thinkers of the day, though, curiously enough, it did not altogether impose on Malthus himself. Ricardo's system gained, as Toynbee says, an "unbounded ascendancy" over his own and the next generation. Bentham spoke of himself as the "spiritual father" of James Mill, and of Mill as the "spiritual father" of Ricardo. John Stuart Mill spoke of the *Principles* as "immortal." Christopher North put Ricardo above Adam Smith. Torrens spoke of him as "his

great master." Karl Marx built his revolutionary doctrine upon the conception of value as due to labour alone. De Quincey naïvely contrasts the work of earlier economists with the astonishing achievement of Ricardo, who "deduced *a priori*, from the understanding itself, laws which first gave a ray of light into the unwieldy mass of materials, and constructed a collection of tentative discussion into a science of regular proportions, now first standing on an eternal basis."

This, strange to say, appears to be the secret of the immediate and immense success of the old political economy. It was a credulous, as well as an unbelieving, time. There was neither the means, nor often the desire, of precise information as to the human elements of the industrial problem. Malthus dared to propound a universal "law" of population before the first Census had shown the numbers of the British people, and before there could be any but the vaguest idea of what the birth-rate was or had been. The general registration of births, deaths, and marriages did not even exist in Ricardo's day. He carried the abstract method to a much further extreme than Malthus; but he brought so much subtler and more logical a mind to the task that a disciple of the calibre of De Quincey could glory in his having "deduced a priori, from the understanding itself, laws . . . standing on an eternal basis." The characteristic work of nineteenth-century Science, based upon impartial and tireless observation and experiment,

was only just beginning. Philosophy was still unspoiled for its imaginative flights by the earthy taint of experimental psychology. Students of theology had not dared to project a science of "comparative religion"; and the science of history was barely adumbrated. It was, then, quite in the spirit of the era that Senior declared political economy to be "independent of facts."

It must not be supposed, because it was abused a century ago, that the method of abstraction as applied to social life was useless. As J. S. Mill said of Bentham, "We have a large tolerance for one-eyed men, provided their one eye is a penetrating one." The deductive method has been continued, and a mathematical school of economics has arisen which, under the check of an accumulating body of precise evidence, has pursued valuable lines of thought. But the method of abstract science — the extraction of general and permanent characteristics from particular and passing instances, with its assumption that the results can be quantitatively measured—is open to peculiar difficulties and dangers in the sphere of economics. The chief of them—apart from the fundamental error in biology which has been indicated above—are these: (1) the quantities in question are inextricably mixed with human nature, and they are, therefore, never exactly repeated; (2) there is a fundamental inequality or unlikeness in the most important of these quantities; (3) the observer himself, in quest of

a "law" in this field, is very liable to bias. The first point is self-evident. The *a priori* philosophers met it by assuming that things averaged out, capitalists acting in the interests of capital, labourers in the interests of labour, and rent-owners in the interests of rent. This was probably true, on the whole, though every day's experience gives instances of men who do not act in the interests of themselves or their class. But the second point found no recognition in the old political economy, and herein lay its besetting sin. We may make abstracts of the contributions of certain groups of human individuals to the total of production, and call one abstraction capital, another land, and another labour. We may make another set of abstracts to describe the rewards of these three factors of production, and call them interest, rent, and wages. Within each group, there are inequalities of contribution and reward; but these inequalities are not, perhaps, sufficiently gross to invalidate the deduction. When we compare the three factors as wholes, however, we meet with an inequality of a much more far-reaching kind.

Labour differs from land and capital, in the first place, in being inseparable from the life of its owner. It is a faculty rather than a possession; and, as such, it is at once more precious and more perishable. If it become necessary, for theoretical purposes, to regard it as a mass, we must be scrupulously careful that the characteristics common to the individuals in whom alone it resides

are contained in the mass-description which we adopt. Thus: (1) The labourers are many, and much divided—hence competition is almost universal between them, and combination is difficult to establish and maintain. But land is scarce, capital is relatively scarce, and combination is easy both to land- and capital-owners, so that their maintenance-reward is rarely in doubt. (2) Units of capital and land vary, but in no such radical fashion as units of labour. A single worker may be a man or a woman, young or old, single or with a dependent family; these are final inequalities, fixed in the very constitution of human society. There are many minor inequalities, due to the irregular distribution of health, strength, and intelligence, the variations of subsistence from time to time and from place to place, and so on. (3) The owner of capital and land can usually wait either to sell or buy, and so can get the best price. The labourers, except a few of the most skilled, are handicapped by the fact that they usually cannot wait.

Broadly, we may say that land and capital are homogeneous, scarce, durable, easily organized, and unpressed for time; while labour is heterogeneous, abundant, perishable, difficult of self-organization, and always near to hunger. Now, it is clear, without carrying this analysis further, that any abstract description of the process of production which assumes a likeness or equality in the three agents is untrue to the facts, some of them alterable, some unalterable, of human society. The

old political economy was repugnant to the whole working class of the time and to many humane spirits, who denounced it as brutal and heartless. That it tended to produce callousness in the average disciple's mind seems beyond doubt. But it is not the business of science to make pleasant reading. The real faults of the Malthusian-Ricardian economics were two: (1) It pretended to the quality of science; but it was, in the main, a work of the imagination—a peculiarly logical type of imagination, it is true. (2) Its "inexorable laws" were false; yet they were offered to every Tom, Dick, and Harry of the market-place as working principles worthy of implicit confidence. They were generally accepted as such, not because the process of reasoning was readily understood, but because its practical implications were clear, and were altogether to the taste of the positively or comparatively wealthy folk who then monopolized the advantages of education and the power of government. Intellectually false in its foundation, and morally false in its use, the orthodox political economy represented to the mass of the workers a great refusal of justice, a denial of all hope. The rich, it appeared, might become endlessly richer because they were few; the poor were doomed by the "laws" of population and wages to eternal penury because they were many. In the name of liberty, progress was declared impossible. It is not surprising that the names of the authors of these doctrines were execrated. Francis Place,

speaking of the working-men reformers of the 'twenties, says that "they denounced everyone who dissented as a *political economist*, under which appellation was included the notion of a bitter foe of the working classes—enemies who deserved no mercy at their hands." This feeling, if unjustifiable, is no longer inexplicable. It was, perhaps, deepened because it found no adequate intellectual expression. As an influence in the events of the Reform and Chartist period, it cannot be overlooked.

But few minds can tolerate logic unadulterated; and, when the mind has done its worst, the heart will have its word to say. Probably, the extreme believers in this cold creed were never as numerous as their influence would suggest; certainly, few of them acted consistently upon it. Place illustrated in his own person the conflict of abstract and concrete motive. Mr Graham Wallas observes that he "never attained, perhaps never could have attained, the intellectual force required for original and creative economic thought." He was an earnest disciple of Bentham, and a still more earnest believer in Malthus's formula. Indeed, he started as early as 1822, with great zeal, a neo-Malthusian propaganda, and suffered as Charles Bradlaugh and his friends were to suffer half-a-century later. "The rest of the inner circle of the Benthamites seem to have shared Place's opinion, though he alone faced the public scandal." [1] But Place knew too much of real life to be altogether

[1] Wallas, *Life of Place*, pp. 166-69.

misled. He had no sympathy with the orthodox view of the old Poor Law. "Mr Malthus," he said, "denies to the unemployed poor man the right to eat; but he allows the right to the unemployed rich man." Place vehemently defended the workers from accusations of idleness and vice, vindicated their refusal to undersell one another, and urged the trade unions in the factory districts to exclude women and children from the mills and to lower hours of labour by general action. Scornful of Godwin—"prince of spongers"—and of Owen, prince of dreamers, he never ceased working in his own business-like way for political and social reform.

A great variety of influence may be traced among the middle-class writers, politicians, and administrators of the time. There is Edwin Chadwick, labouring with equal zest to establish the health service and the workhouse test. There is Nassau Senior, making quite arbitrary calculations, which are solemnly quoted in Parliament, to show that all the profit of a factory is made in the last hour of the day, and that, if this hour's work were cut off, there would be no profit.[1] There are the spokesmen of the manufacturers who mix up *laisser-faire* precepts with smug dissertations on the prosperity of the factory operatives.[2] There are the

[1] Senior, *Letters on the Factory Acts*, 1837.

[2] Edward Baines, in his *History of the Cotton Manufacture* (1836), says "it is scarcely possible for any employment to be lighter," but admits that the children "are confined for long hours and deprived of fresh air; this makes them pale and reduces their vigour, but it

well-to-do Nonconformists, confirmed in Benthamite individualism by the fact that the Church still monopolizes the patronage of the State. Where, in this juncture, were the philosophic Tories, with their professed love of the old moral ties of society, their hatred of revolutionary formulae? Burke's words, flung angrily at the Jacobins of Paris, might now have been addressed to the apostles of *laisser-faire*: "The age of chivalry is gone. That of sophisters, economists, and calculators has succeeded. . . . All is to be changed. All the pleasing illusions which made power gentle, and obedience liberal, which harmonized the different shades of life, and which, by a bland assimilation, incorporated into politics the sentiments which beautify and soften private society, are to be dissolved by this new conquering Empire of light and reason. All the decent drapery of life is to be rudely torn off. All the superadded ideas, furnished from the wardrobe of a moral imagination, which the heart owns, and the understanding ratifies, as necessary to cover the defects of our naked, shivering nature, and to raise it to dignity in our own estimation, are to be exploded as a ridiculous and antiquated fashion. . . . Nothing is left which engages the affections on the part of the

rarely brings on disease." He adds that, "though improvidence and misconduct too often ruin the happiness of these families, yet there are thousands of spinners who eat meat every day, wear broadcloth on the Sunday, dress their wives and children well, furnish their houses with mahogany and carpets, subscribe to publications, and pass through life with much of humble respectability."

commonwealth." No second Burke arose to vindicate the social principle. For this is a crucial difference: political revolution, as in Paris, chiefly injures the few rich; industrial revolution, as in Manchester, chiefly injures the many poor. Disraeli might have become a second Burke, had the circumstances been favourable. He voted repeatedly for the repeal of the new Poor Law, voted in minorities for inquiry into the Birmingham riots in 1839, and for remission of the excessive sentences on the Chartist leaders in 1840 and 1846, and put into the mouths of his paper heroes such words as these:

"If a spirit of rapacious covetousness, desecrating all the humanities of life, has been the besetting sin of England for the last century and a half, since the passing of the Reform Act the altar of Mammon has blazed with triple worship. To acquire, to accumulate, to plunder each other by virtue of philosophic phrases, to propose a Utopia to consist only of Wealth and Toil, this has been the breathless business of enfranchised England for the last twelve years, until we are startled from our voracious strife by the wail of intolerable serfage."[1]

The few independent Tories who, from the verge of the "voracious strife," hurled ill names at the manufacturers counted for little. What did gradually count was the obstinate insubordination of the people themselves, and the emergence—aided by cholera epidemics and Chartist riots—of a sense of national as distinguished from, and even opposed to, purely individual interest. Hume, Bright, and

[1] "Sybil," Book I., chap. v., 1845.

Roebuck continued to harangue the legislature on the danger of interfering with the captains of industry. But Macaulay, in one of the flashes of perception which justify the romantic temperament, anticipated, in a speech in May 1846, the verdict of later years :

" Rely on it that intense labour, beginning too early in life, continued too long every day, stunting the growth of the mind, leaving no time for healthful exercise, no time for intellectual culture, must impair all those high qualities which have made our country great. Your overworked boys will become a feeble and ignoble race of men, the parents of a more feeble progeny ; nor will it be long before the deterioration of the labourer will injuriously affect those very interests to which his physical and moral energies have been sacrificed. . . . Never will I believe that what makes a population stronger and healthier, wiser and better, can ultimately make it poorer. If ever we are forced to yield the foremost place among commercial nations, we shall yield it to some people pre-eminently vigorous in body and mind."

The science of political economy suffered throughout the nineteenth century from the inadequate information and the doctrinaire method of its founders. But fact at length made itself felt in the academic twilight. Economics fell back into its proper place of handmaid to Politics. From the publication of Maine's *Ancient Law*, in 1861, may be dated a strong influence from the side of social history. In 1869, J. S. Mill abandoned the wage-fund theory. Jevons and Bagehot, in the later

'seventies, stood for a less abstract view of State functions than that expressed by Fawcett when he said "we might as well think of regulating the tides" as of determining wages by Act of Parliament. With Arnold Tonybee's *Industrial Revolution* (1884), the whole subject began to appear in perspective, and an evolutionary view of both the events and the philosophy of the period became possible. By a curious irony, it fell to Herbert Spencer, perhaps the stiffest individualist of his day, to demolish the Malthusian principle which was the chief strength of the individualism of the earlier generation.

# CHAPTER V

## ON THE VERGE OF REVOLUTION

## 1833–1849

### I. A Late Harvest

This, of all the periods into which the story of the century divides itself, shows most complication and obscurity of motive, and is, therefore, most difficult of summary description. There are five major quantities to be kept in view, in the general course of political and economic life: (1) the first great Factory and Mines Acts, and the commencement of serious health administration; (2) the new Poor Law; (3) the commercial crisis of 1839, the Irish potato famine of 1845-46, and the commercial crisis of 1847; (4) the commingled agitation of Trade Unionism, Owenism, and Chartism, and (5) the Free Trade movement. We shall see that, despite a great harvest of reforms, the new Parliament did not win the confidence of the masses; that the country was brought again to the verge of revolution; and that the agitation then suddenly expired. Was it merely that the people were satisfied with cheap food and expanding trade? How are we to account at once for the power developed by the labour organizations, and its collapse?

A list of the chief acts of the Reform Parliament in these seventeen years (eleven years under Whig, and six under Conservative, Ministries) indicates the extent and character of the political change that had been effected. First come two great works of emancipation—the freeing of negro slaves in the British possessions (with a solatium of twenty millions sterling to the slave-owners), and the abolition of the remains of the East India Company's monopoly, already cut down in 1813. Europeans were now given free access to India both for trade and residence; equality of status between natives and foreigners, without bar of race or religion, was also decreed. The China trade, hitherto reserved to the Company, was thrown open; it doubled in the next decade, while British exports to India increased threefold. The session of 1833 was also marked by the tardy passage of Lord Ashley's Factory Act, the provisions of which will be explained directly, of the first parliamentary grant in aid of elementary education (£20,000), and some small reforms in the Protestant Church in Ireland. In the following year, that of the new Poor Law, the last arbitrary dismissal by the Crown of a Prime Minister (Lord Melbourne) took place; and the Central Criminal Court was established. In 1835, the immense task of municipal reform, necessarily postponed till the House of Commons had been rescued from the influence of the borough-mongers, was taken up. The Municipal Corporations Act put an end to the existing corruption, and

established, in 178 cities and towns having a total population of two millions, elective councils, with power over paving, lighting, police, rating, and other local business. The Act had three limitations which have been slowly remedied: it created only a narrow franchise; it did not touch London, which sheltered as many scandals as all the other cities put together; and it left the counties in the hands of the justices.

The year 1836 witnessed an important inquiry into the sanitary condition of the industrial districts, the establishment of the office of Registrar-General of births, deaths, and marriages—henceforth the chief fount of official statistics bearing on the health of the people—and the removal of the bar against Nonconformist marriages. Henceforth, marriage was a civil act, the religious ceremony optional. The next three years were a period of acute depression, in which the Chartist and Free Trade movements emerged as organized forces. During this period, the young Princess Victoria came to the throne, with Prince Albert as her adviser; English tithes were commuted, and the Ecclesiastical Commissioners incorporated; the newspaper stamp duty was reduced to one penny and penny postage established; the principle of the new Poor Law was carried over to Ireland; and Lord Durham was sent as Governor-General to Canada, there to initiate a noble work of pacification. In 1839, the Education grant was increased to £30,000; its administration was lodged in a Committee of the

Privy Council; and the inspection of assisted schools was commenced. In 1840, the transportation of convicts to Australia ceased; self-government under a responsible government was given to Canada; and the Irish municipalities were reformed.

The five following years, under Peel, the last considerable period of Conservative rule for three decades, yielded only one considerable achievement in legislation, but this was sufficient to immortalize its authors. In 1842, the first Act was passed for the protection of coal-miners; and Peel set up a new sliding-scale of corn duties, abolished many other protective duties, and revived the income-tax to compensate for the revenue lost. More duties were removed in 1844, and no less than 430 in 1845. It was in face of these measures, prophetic of still more radical change, and of the consequent agricultural outcry, that young Disraeli uttered his famous description of such "Conservative" government as "an organized hypocrisy." The Irish potato famine of the following winter suggested wiser thoughts, and precipitated the repeal of the Corn Laws. The year 1847 saw the passage of Fielden's "Ten Hours" Factory Act, the introduction of short service in the army, another financial crisis, and a second cholera epidemic which led to the passage of the Public Health Act of 1848, the basis of administrative efforts that were to save millions of lives before the century was out. Finally, the Navigation Laws were totally repealed, and the

abolition of the corn duties (save 1s., which remained for twenty years) came into full effect, in 1849.

In the short space of eighteen years, then, the Crown had accepted its constitutional limitations, the House of Commons and the little governments of city and town had been cleansed, and the power of the Peers had been checked. A number of free Colonial democracies had been established in the Western and Southern Hemispheres; slavery had been abolished on British soil; and the East had been thrown open to trade, with some promise of fair treatment for the natives. Henceforth, the British people might call upon all lands for food and materials of manufacture; shipping was freed; and taxation was in part transferred to surplus wealth. The beneficent work of factory and mine inspection, sanitary administration, and public schooling was initiated. The world's history shows nothing to equal this record, with the possible exception of the reforms with which Napoleon capped the programme of the French Revolution. And yet the people were violently dissatisfied. Why?

There is no single answer to such questions as this; but they help us to focus more clearly the movements of the time, and to understand better the permanent conditions of successful government and social peace. It is evident that the buying-out of the West Indian slave-owners, and the grant of responsible government to Canada, could bring no immediate relief to the hungry and voteless weaver

of the West Riding. In every land, domestic questions are of first moment; and, among domestic questions, the bread-and-butter problem must be solved ere other boons can be properly appreciated. In the second place, the harvest of reform does not come up in a night; and, if the sowing has been long delayed, half the crop may be lost. Sydney Smith said of the Reform Bill, "All young ladies imagine as soon as this Bill is carried that they will be instantly married," and cynically dismissed the disappointed as "fools." When the fools are numbered by the million, however, their disappointment becomes a matter of consequence. Viewed absolutely, in isolation, these Factory and Mines Acts, for instance, are notable achievements; in relation to the long-suffering of the operatives, and the merits of the question as we now see it, they are beggarly instalments of common justice given a full generation too late.

## II. The First Factory Acts

The story of the Factory Acts and of the shame of child slavery in which they originated has often been told; a slight outline of this struggle of common-sense and humanity against dogma and heartlessness will, therefore, be sufficient in this place. The first attempt to improve the health conditions of industrial employment was the Health and Morals Act of 1802, procured by Sir Robert Peel the elder, who (this is his son's account of the matter) acted

as soon as magisterial complaint brought to his notice abuses among the thousand apprentices in his own factory which the overseer had previously concealed from him. Such abuses had by that time become very common, and had been formally denounced by bodies of medical men in 1784 and 1796.[1] With the help of a single narrative—that of one Robert Blincoe, published in 1828—we may peep for a moment into this underworld. Blincoe was an orphan who drifted into the St Pancras Workhouse at the age of four years, and at seven was apprenticed for fourteen years to a Nottingham cotton-spinner. The formal consent even of children being necessary, Blincoe and eighty other little victims were told that cotton factories were palaces where roast-beef, plum-pudding, and other good things were to be had for the asking. This did not prove exactly true. The children were kept working for fourteen, and even sixteen, hours a day; they were beaten for the slightest mistake or offence; and sometimes they were tortured by the overlookers, who would tie them to a beam close over the whirling machines by way of teaching them to hold their feet up, or would rivet irons on their ankles and hips to teach them not to try to run

[1] *Manchester Literary and Philosophical Society Memoirs*, 1784; *Report on Parish Apprentices*, 1815; Fielden's *Curse of the Factory System*, 1836. In their *History of Factory Legislation*, Misses B. L. Hutchins and A. Harrison, B.A., point out that "no materials exist for anything like a statistical or accurate study of child-labour in the eighteenth century"; but there is evidence that children were often overworked and ill-treated at home by their parents.

away. Locked in the factory while they worked, and in neighbouring barracks while they slept, these piteous martyrs were as absolutely abandoned by their kind as though they had been adult convicts on the way to Botany Bay, or negro slaves on the middle passage.

Peel's first Act applied only to apprentices in cotton mills; it forbade their being worked more than twelve hours a day, and laid it down that night work should cease after a short interval, that decent clothing, lodging, and food should be provided, and that all factories should be whitewashed and ventilated. It was practically inoperative, partly by reason of evasion, partly by a change of the trade conditions. Before the application of the steam-engine to textile machinery, the mills were scattered along the streams of the country-side. The irregularity of water-power favoured great irregularity in the working-day; and there were no prying eyes in these out-of-the-way places. Steam brought the factory into town, made work more regular, and indirectly contributed to the abandonment of pauper 'prentice labour. The first effect of the Act, however, was simply to abolish the formality of apprenticeship. In June 1815, Peel again called attention to the need of a protective law. "The practice of apprenticing parish children in distant factories was," he said, "as repugnant to humanity as any which had ever been suffered to exist by the negligence of the legislature; and it was all the worse because of the

enormous abuses which existed in it. It had been known that a gang of these children had been put up to sale along with a bankrupt's effects, and transferred as part of the property. A case had come to his knowledge where an agreement was made between a London parish and a Lancashire manufacturer that for every twenty sound children one idiot should be taken." [1] This appeal seems to have made no impression, for the Bill proposed was withdrawn after the first reading. The employers, in fact, were no longer an uneducated class risen by force from out of the ranks of labour. They could express themselves, and buy legal or literary advocates; and, from this time on, there is obstinate resistance to every attempt to impose conditions of employment. Their most plausible argument lay in the fact that nobody then dreamed of an inspection of the domestic workshops, where, in the deepening distress of the hand-workers, the lot of the children was often worse than it would be in a factory. Robert Owen gave evidence before Peel's Committee as to his own experiments. He had no children in his mill under ten, and the general hours had been gradually reduced from fourteen to twelve, including an hour and a quarter off for meals. The working strength of the mill was so much improved that the loss was only one farthing in 1s. 8d. This example made few converts.

In February 1818, pressed forward by Owen,

[1] *Hansard*, vol. xxx. 624.

the elder Peel returned to the charge. Presenting a petition from Manchester cotton-spinners for a ten-and-a-half hours' day, he added that "he had been in communication with some of these poor men that morning; and he declared he could not hear their statement, or witness their appearance which confirmed that statement, without shedding tears. In rooms badly ventilated and much overheated, they were compelled to work fourteen or fifteen hours a day. Young persons might endure such labour; but after men attained a certain age it became intolerable." This appeal was dismissed as sheer sentimentality; nearly a century was to pass ere British society was prepared to recognize the hardness of life's evening in the labouring classes. A few days later, Peel reintroduced his Bill, modified to forbid the employment of children under nine (instead of under ten) and to limit the working hours of those under sixteen years to twelve per day. It was notorious, he said, that children of a very tender age were dragged from their beds some hours before daylight, and confined in the factories for not less than fifteen hours. His son, the future Free Trade Premier, added that there was evidence of boys and girls of five and seven years being employed; and they were often kept on Sundays from 6 A.M. to noon cleaning the machinery. Lord Stanley distinguished himself by arguing that Parliament should not, by such interference as was asked for, sow dissension between parents and children; and other noble lords

upheld "the great principle of Political Economy that labour ought to be free." Again, the Bill was dropped. In 1819, after further opposition, it was carried. The Act applied only to cotton mills. Years later, the future poet of democracy, Gerald Massey, then a child of eight years, was working twelve hours a day in a silk mill for a wage of eighteen pence a week.

This commencement of factory legislation proper was of very limited effect, even within its limited field, and that for a moral reason and a practical reason. The number of those who fully realized and admitted the evil was very small (medical witnesses in these early years were particularly pusillanimous); and the lack of a special body of inspectors made evasion of the law easy. On the part of the operatives themselves, there was a considerable obstacle in the growth of the system by which the spinners themselves, not the mill-owners, employed their child "piecers." In 1825, when Sir John Cam Hobhouse obtained an amending Act, limiting Saturday work to nine hours, and forbidding work during meal times, the customary hours in Lancashire mills were from 5.30 or 6 A.M. to 7.30 or 8 P.M., with two intervals for meals, during which the children were commonly kept cleaning the machinery. In 1831, a further amending Act brought all operatives under eighteen years of age in cotton mills within the protection of the twelve-hours day, and prohibited the night employment of all under twenty-one. Richard Oastler,

with his letters to the *Leeds Mercury* on "Yorkshire Slavery," and Michael Sadler, Tory Member for Newark, had now put themselves at the head of the Ten Hours' Day agitation. Sadler obtained in 1832 a Commons Committee whose report is invaluable as a collection of evidence of the industrial conditions then prevailing. He lost his seat directly after, being defeated by Macaulay; and Lord Ashley, later Lord Shaftesbury, became leader of the movement in Parliament. A Royal Commission was appointed, with the hope, at least on the side of the employers, of shelving the subject. It reported, however, that the existing law was "almost entirely inoperative," children being commonly employed as long as adults, with the result that they suffered physically and obtained no education; and that the only way of ending these wrongs was to establish a special body of itinerant inspectors, with power to enter any factory where children were employed, to order sanitary measures and the fencing of machinery, and to enforce school attendance.

It is this provision, probably due to Chadwick's influence, that chiefly constitutes the importance of the Factory Act of 1833, one of the first measures of the reformed House of Commons. Hardly less important than the establishment of that gallant branch of the Civil Service, the factory inspectorate, was the extension of the Acts to woollen, worsted, hemp, flax, tow, linen, and silk mills. Further, the prohibition of night work and the twelve-hours

maximum day were applied to all operatives under eighteen; children under nine were shut out of all textile factories except silk-mills; and a nine-hours maximum day was gradually brought into operation for children under thirteen. Medical examination of children prior to factory employment was also instituted, it being required that "some surgeon or physician" should certify each child under twelve as strong enough for work. The factory inspectors became a kind of perambulating magistracy with executive powers. Unfortunately, they were to be only four in number, and the penalties for breach of the law were very inadequate.

Eight years later, it still remained for Elizabeth Barrett to utter her poignant "Cry of the Children":

"Do ye hear the children weeping, O my brothers,
Ere the sorrow comes with years?
. . . . . .
'For oh,' say the children, 'we are weary,
And we cannot run or leap;
If we cared for any meadows, it were merely
To drop down in them and sleep;
Our knees tremble sorely in the stooping,
We fall upon our faces, trying to go,
And, underneath our heavy eyelids drooping,
The reddest flower would look as pale as snow.
For, all day, we drag our burden tiring
Through the coal-dark underground;
Or, all day, we drive the wheels of iron,
In the factories, round and round.

'For, all day, the wheels are droning, twining;
Their wind comes in our faces,
Till our hearts turn, our heads with pulses burning,
And the walls turn in their places;
Turns the sky in the high window, blank and reeling,
Turns the long light that drops adown the wall,
Turn the black flies that crawl along the ceiling,
All are turning, all the day, and we with all;
And, all day, the iron wheels are droning,
And sometimes we could pray:
"O ye wheels" (breaking out in a mad moaning),
"Stop! be silent for to-day."'

. . . . . .

'How long,' they say, 'how long, O cruel nation,
Will you stand, to move the world, on a child's heart,
Stifle down with a mailéd heel its palpitation,
And tread onward to your throne amid the mart?
Our blood splashes upward, O gold-heaper,
And your purple shows your path.
But the child's sob in the silence curses deeper
Than the strong man in his wrath!'"

By the Coal Mines Act of 1842, the underground employment of women and of children under ten years was prohibited. Female labour at the pit-head continued for a good many years.

The Short Time Committees continued their agitation; and on this ground Chartists, Owenites, Tories, and Liberals met. In Yorkshire and Lancashire, especially, a ten-hours factory day was demanded on the specific plea, to quote one of the resolutions, that "a restrictive Act would tend materially to equalize and extend labour, by calling

into employment many male adults who are obliged to spend their time in idleness whilst female children are compelled to labour from twelve to sixteen hours per day." A factor that has been of real importance throughout the struggle for the legislative protection of labour is alluded to in another resolution, declaring that, "without a legislative regulation of the hours of labour, the kind and benevolent employer cannot stand against the competition of his less feeling rival." The mutilation of the Act of 1833 produced a momentary fever of "direct action." Instead of a ten-hours, an eight-hours day was now the objective; and Fielden wrote to Cobbett's *Register* proposing that the trade unionists should prepare to get it for themselves by means of a general strike. Nothing coming of this fit of temper, a new Ten Hours Bill was drawn up. The Government sought in 1835 to weaken the Althorp Act by enabling children over twelve to work full time. They were compelled to withdraw this design; but no further progress was made for several years. The increase of women in textile factories was then attracting attention, and much was heard of "home" being "woman's true sphere," an idea for which Mr Gladstone professed his sympathy. In 1844, a Government Bill proposed to establish the half-time system in the textile trades (the working hours of small children being thus reduced to $5\frac{1}{2}$ a day), and to limit young persons and all women to a twelve-hours day. An amendment was carried by Lord Ashley reducing

the latter to ten hours, but other divisions, in course of very confused debates, gave a contradictory result. The Bill was accordingly withdrawn; and another was prepared and passed prescribing a twelve-hours maximum. This Act had a number of valuable administrative provisions suggested by the experience of the first inspectors.

During 1846 and 1847, the Committees enjoyed the aid of a successful weekly paper, the *Ten Hours Advocate*. They fought strongly in the election following the repeal of the Corn Laws; and during the depression of the following spring, when short time was very convenient to the mill-owners, Fielden got his Ten Hours Bill through its third reading with a substantial majority, despite harangues by Hume, Bright, and Roebuck on the danger of interfering with the right of manufacturers to make a working profit. Demonstrations of joy were held in many northern towns; and a delegate meeting in London declared itself "deeply grateful to Almighty God," and determined "to promote by every means in our power those religious and social blessings which it has been the object of the Bill to extend to the factory workers."

## III. The New Poor Law

The maintenance of the Corn Laws long after the old arguments had lost all plausibility, the hard struggle to find work, in competition, on the one hand, with steam-driven machinery, on the other,

with women, children, and pauper immigrants from Ireland and the shires, the refusal of the vote to the mass of working men in 1832, the barbarity of the game laws, and the ruthless punishment of agitators—these wrongs could not but excite, even in gentle minds, a deep bitterness. And, as though this were not enough, the new middle-class House of Commons proceeded to erect, as an eternal memorial of the *laisser-faire* economy, a national prison for the English poor—the Workhouse.

As the Reform Bill shook the small class at the top, so the Poor Law Amendment Act of 1834 shook the large class at the bottom, of British society. Two facts distinguish the latter measure among modern legislative adventures: the scientific severity with which it regulated the lot of a large part of the nation, accustomed for nearly forty years to a totally different treatment, and the near approach to unanimity in Parliament for the new system, in contrast with the hostility of the unenfranchized mass of the labourers outside. The second reading was carried in the Commons, on May 9, 1834, by 299 votes to 20; in the Upper House, the minority was only 13. Royal assent was given on August 14, 1834. The central authority, upon whose decrees the whole scheme was to depend, was, in the first place, appointed for only five years. During that period, popular opposition was so fierce[1] that the re-

[1] "In certain places, *e.g.* Bolton, Nottingham, and Macclesfield, local authorities had been elected expressly to defeat the new law" (Fowle, *The Poor Law*, p. 103).

appointment of the Commission remained in doubt to the last. It was then renewed annually for three successive years; in 1842, it was established for five years more; only in 1847 was the Poor Law Board erected into a Ministerial Department; and not till 1871 did it receive, under the name of the Local Government Board, the very wide powers now existing. From the first, however, the new Poor Law exhibited an absoluteness and centralization of power over the operations of elective and unpaid local authorities which are unique in British government, and very difficult to reconcile with the professed individualism of many of the leading authors of the scheme. This peculiar power was secured through the administrative machinery gradually built up, especially through the inspectors, who keep the Board informed of what is being done by Boards of Guardians throughout the country; the system of audit, carrying with it refusal to pass any item in local accounts that can be declared to transgress the law; and the control over local officials, who may be discharged by the Board, but not by the local authority without the Board's assent. But more important than any influence by machinery was the spirit of the law itself, definitely realized at the outset by its authors, stated with unmistakable simplicity, and defended throughout with unbending resolution, although never quite fully embodied in practice.

"The fundamental principle with respect to

legal relief," said the Commissioners in their report of 1839, " is that the condition of the pauper ought to be, on the whole, less eligible than that of the independent labourer." It was assumed that everybody should, and nearly everybody could, save against misfortune, and that—rates being paid, ultimately as well as immediately, by others than the poor—those who claim relief must, in justice as well as of practical necessity, be content with a condition " less eligible " than that of the poorest freeman. Not only was the whole allowance system described in our last chapter swept away ; " all distribution of relief in money or in goods, to be spent or consumed by the pauper in his own house," was declared to be " inconsistent with the principle in question." The first object, then, was to stop out-relief ; in particular, able-bodied persons were to be refused relief except in the workhouse—the " workhouse test " of genuine need. The country was, accordingly, divided into " Unions " of parishes, each having its workhouse, under the management of a board of guardians elected by the ratepayers. The old conditions of " settlement " were much modified ; and they have since practically disappeared. A significant detail which excited great indignation at the time was the abandonment of the former efforts to discover and penalize the fathers of illegitimate children falling on the rates. The burden of providing for the child until it was sixteen years old was now thrown on the mother, subject to a power in the

justices to make a maintenance order against the man, if found, no part of the payment so obtained going to the support of the mother.

Every student of an earlier age is looking, as it were, through glasses coloured by the facts of his own time; the best he can hope is that this contemporary information may help to define truly, not prejudice, his view. We are looking back upon the gravest problem of eighty years ago through experience of a society in which the principles of the new Poor Law continue, but in association with a number of fresh factors—for instance, higher wages, cheaper food, free education, large expenditure on sanitation, a great volume of charity, ready hospital accommodation, old-age pensions, and national insurance against illness and unemployment—which greatly change the proportions of the social question. It is one thing, in a society where these and other aids to a healthy and sensible life exist, to proclaim the principle that "the condition of the pauper ought to be less eligible than that of the independent labourer." It was a very different thing eighty years ago—in a society offering none of these opportunities, a society whose country poor had been compelled for a whole generation to accept doles instead of a reasonable wage—to proclaim a sudden and general stoppage of out-door relief. It was so different a thing that the twentieth-century reader must be astounded at the hardihood of the authors of such a revolution. Time has made it easier to appreciate the splendid

enthusiasm and single-minded devotion of Chadwick and his fellows in the cause of public-health reform. That the more-than-Ricardian rigours of the new Poor Law were conceived in those same good hearts speaks eloquently of the influence an economic dogma may obtain when circumstances are favourable.

The "fundamental principle" had, indeed, to be tempered. In the first place, persons over sixty years of age were declared to be not necessarily able-bodied, and the guardians were permitted to grant them out-relief if they thought fit. Then, according to the report of 1839, the Commissioners "permit out-relief to the able-bodied in all those cases of distress which are of most frequent occurrence, such as sickness, accident, bodily or mental infirmity in themselves and in their families"—such cases as burial, and widowhood for a period of six months, or so long as there is any child dependent on the widow, being soon added. While out-relief has been permitted in emergencies like these, the workhouse system has been slightly modified in more recent years, chiefly in favour of child inmates, by the classification of wards and houses, the institution of special schools, the boarding-out of children, and other measures. In general, however, England was ruled throughout the Victorian era on the "fundamental principle," which may be said to have rested on the postulate that the most desperate evil of the time was idleness and thriftlessness among the poor, and to have

yielded three alternatives: (1) Every adult must find continuous work, with pay sufficient to maintain himself and his family; or (2) he must save enough at discontinuous work to carry him and them through emergencies; or (3), if he asks for public aid, he will receive the barest maintenance under conditions of social disgrace and political disfranchisement.

We may illustrate the application of the principle by citing some sentences from a volume already quoted, *The Poor Law*, first published in 1881, by one of its able and confident advocates, the Rev. T. W. Fowle, M.A., Rector of Islip. "The two chief evils to which poor relief gives rise," he says, "are *idleness* on the part of those who can work and will not, and *improvidence* on the part of those who can make provision for possible sickness or inevitable old age, but prefer to trust to the bounty of the State. The first class was dealt with finally and summarily in the Prohibitory Order (1844), which forbids relief to any man capable of earning wages. But the second was, by the express exceptions contained in that Order, left to the discretion of the local authorities, who have not been slow to avail themselves of the opportunity. How far the central authorities realized that this departure from their own admitted principles would lead once more to the establishment of a gigantic system of pauperism, in which the unthrifty and careless were maintained at the cost or to the prejudice of their more provident neighbours, does not very

clearly appear. Certain it is that it has been turned by local administration to this end, and that, too, in spite of warnings almost amounting to threats, and expostulations almost descending to entreaties, from the Poor Law authorities themselves." As these Guardians are ratepayers elected by ratepayers, it might be supposed that self-interest would be a sufficient spur to economy. But this tendency is apparently counteracted by the fact that they are also men, with a weakness for discriminating between bad cases and sad cases; and this, strange to say, is the source of all the mischief. For the "fundamental principle" is a mathematical principle, a logical principle, anything but a moral principle, or a guide in the art of government. The principle is that not the idle and vicious only, but the "improvident" (by which is meant all who have not saved) also, must learn that "destitution is the only legal ground to relief," and that this relief will be the barest, hardest minimum. From this point of view, there are no good cases, or bad cases. "The character of the applicant, if the plain truth must be told, has nothing to do with it. Thus, if two men, under precisely the same circumstances, apply for relief, one of whom has borne a good character and succumbed to misfortune, the other has been just the reverse, it is still not permissible, upon any sound principle of Poor Law, to make a difference between them. . . . No doubt the temptation to exercise a moral discrimination is irresistible, and the

Guardians try, with some success, to achieve a rough and ready justice, of which it may be said that it is morally excellent, but it is not Poor Law." [1] Where the law is properly administered," the plain fact is that the workhouse test has killed the spirit of investigation, as, by the confession of its supporters, it was meant to do."

Still, the crude desire for "moral excellence" and "rough and ready justice" continued to struggle against the spirt of *laisser-faire* legalism. In London, and some larger towns, in 1852, an outdoor "labour test" (the "stoneyard"), instead of the house test, had to be permitted, as "a 'safety-valve' at a time of great and sudden depression of trade." Great "laxity" has always existed in the treatment of widows with dependent children, and in the dispensation of medical relief. "An injurious notion has got abroad," said Mr Fowle in 1881, "that this kind of relief has not the same pauperizing effects, and a fear is even expressed lest the system degenerate into one of medical State charity." Sure enough, he has to lament in a later edition (1891) "the unwise enactment that medical relief should not temporarily disfranchise the person who received it," and the free medical aid given by the London hospitals, "recalling once more in a mitigated form the vices of the old Poor Law." On the other hand, he does not grudge the Act, tardily passed in 1886, providing for the care

[1] Fowle, p. 121.

and training of pauper lunatics in special hospitals and institutions.

Midway between outdoor and indoor relief is the casual ward, another concession to emergency, namely, to the fact that, if penniless men are to find work, they must have some sort of shelter on the way to it. This was the rule for "tramps" established in November 1871: "The order of admission is available for one night only, and does not take effect earlier than six in the evening in winter and eight in summer." Till those hours, the tramp could find no shelter at all, unless in those "wards established by religious agencies," which, according to Mr Fowle, "together with the meals, meetings, and addresses, are almost certainly productive of much harm." "The vagrant is searched and bathed, his clothes taken from him, and, if necessary, dried or disinfected. He is placed in a separate cell, though the Central Board may as to this approve of other arrangements, and is not entitled to discharge himself before 11 A.M. the next day, and then only if he has done the task-work—breaking stones, picking oakum, etc.—which has been assigned to him. In the event of his having become an inmate of the same ward twice in one month, he may be detained till 9 A.M. of the third day after admission. He receives 8 oz. of bread or 6 oz. of bread and one pint of gruel or broth, for supper and breakfast. There are no two opinions about the entire inefficacy of the above arrangements, and that for the plain reason that they sin against

the fundamental principle of making the relieved person's condition worse than that of the self-supporting labourer "—surely, a terrible reflection upon the position of the free worker in the Victorian Age. In 1882, the Casual Poor Act stiffened these conditions by providing that the casual could not discharge himself till 9 A.M. on the second day, and, on a second appearance within one month, might be detained until the fourth day. "But nothing seems of any avail," comments our author, gloomily contemplating the influence of the parliamentary reform of 1885. "The Poor Law is, of all great English institutions, the most thoroughly stereotyped; and yet there are not wanting signs of a spirit naturally resulting from the democratic movement which may modify it. . . . We fear the temper of the public mind is not what it was in those golden days of scientific reform."

Remains "the House"—citadel and type of the "fundamental principle," with its semi-penal régime, its separation of husbands and wives, parents and children. Even here, there is a tendency to degenerate—into an almshouse. "But its original conception still adheres to it, namely, to 'subject the pauper inmate to such a system of labour, discipline, and restraint, as shall be sufficient to outweigh in his estimation the bodily comforts which he enjoys.'" "Cheerless comfort," Mr Fowle hastens to add; this and a certain "cold-blooded equity" make "the spirit of a workhouse."

The working folk continued to deny the "equity"

of this system. Throughout England, till near the end of the century, "the House" stood, for them, as a hated symbol of heartlessness and injustice.

## IV. The General Strike

We have noted that, in the earliest reform agitation, those enlisted wavered between or divided into two parts, the one favouring parliamentary, the other direct and revolutionary, action. Twenty years later, in the painful days following the Reform Bill, the social movement was enlarged a hundredfold. The age of Cobbett and Eldon had passed. The protagonists, now, were not an outworn oligarchy and small, scattered groups led by a few firebrands or wirepullers, but a new class of Ministers and manufacturers, practically unanimous in their individualist creed, on the one hand, and on the other, thousands of trade unions, Owenite societies, Chartist associations, Short Time committees, declaring strikes and suffering lockouts, organizing mass meetings, processions, and petitions, publishing newspapers, beginning to employ paid officials and legal advisers, and making sensational appearances on the threshold of the new Parliament House. At first sight, the change would seem to be all in favour of the latter. But in warfare—and this was a suppressed civil warfare—mere numbers may be a fatal encumbrance, and division of aim is fatal. Once it had gained control of the legislature, the well-to-do middle class shed its last

proletarian sympathies. Manufacturers, merchants, and shopkeepers, as well as landlords, were now on the defensive. Bentham and the economists had given them a sort of faith; the Established Church, in the towns especially, was at their service; the wealthier Nonconformists were only too anxious to make peace with the State. The middle class held a virtual monopoly of the educational apparatus of the time, including all the regular newspapers. They were so strong that broader views in non-essentials grew apace; and Whig developed into Liberal, Tory into Conservative, without serious difficulty. But in daily business life there was hardly a pretence of hiding the iron hand in a velvet glove. Every expedient known to the law was used to whittle down the right of combination yielded in 1825. Peaceful picketing was treated as intimidation, organization as conspiracy. Men who struck without aid or organization were pursued and imprisoned under the Master and Servant Acts for leaving their work unfinished. Strike leaders were prosecuted; all over the country masters endeavoured to force their men to sign statements abjuring trade unionism. Comfortable men and women looked across a gulf of suspicion and alarm at "the lower classes" as at a pestilent mob inoculated with the vices of French Jacobins and Irish moonlighters. There were splendid exceptions; but this was the rule.

The workers were to find how long and difficult a task it must be for poor, uninstructed men to

realize the only potential strength that remained to them. Politically, they had little direct influence, for few of them had votes. Economically, they were in a position no less than desperate. Freedom is the power of choice. When a community has lost its hold upon the land, its freedom has been materially curtailed ; for the most obvious alternative to a starvation wage has been taken away. The first article of liberty for the average man is the first week's wages he can save. A generation later, when Free Trade had brought a great increase of national wealth and the possibility, therefore, of higher wages, liberal individualism became very familiar among the English artisans. In this earlier interval, it could not but appear a cold mockery. To the honour of our people, be it said that, while the new Poor Law excited deep bitterness, there was no agitation for a revival of the allowance system. They demanded, as they had always done, a living wage. But how to get it ? The distinction between moderates and revolutionaries is primarily one of circumstance, a bread-and-butter difference. Well-paid craftsmen were then, are now, and always will be moderates ; but a grain of intelligence makes the unskilled labourer, clamouring against his fellows outside the dock-gates, inflammable stuff. It is said that hunger knows no law ; the most astonishing thing in the world's history, however, is the patience of the toiling millions under the degrading rod of hunger. But feed the mind in a starved body, and you

may look for trouble. Cobbett and a thousand pamphleteers had not worked for nothing. England was aflame with discontent. Every type of platform rang with apocalyptic anger and prophecy. On all, the same thing was required; and there the unanimity ended.

Trade-union policy (if that can be called policy which was mostly crude instinct) varied through the whole gamut between the formation of small local benefit funds and the declaration of a grand national strike. Robert Owen and his disciples preached a communal reorganization of industry, to be brought about, as they imagined, speedily and peacefully, by the conversion of trade unions into co-operative productive societies. The wide success of this utopian propaganda speaks as much for the inexperience of his hearers as for Owen's energy and genius. The Chartists believed everything was to be obtained by democratizing Parliament. The Factory Act agitation has been commonly treated as only a humane movement for the protection of children and women; in fact, it derived much of its strength from the belief of adult male workers—not at all a mean, and not an ill-founded belief—that a shortening of juvenile hours would indirectly shorten adult hours of labour, and so absorb some of the surplus of unemployed, while the family would gain as much by an improvement of adult as it lost in juvenile wages. Finally, the Free Traders threw a bridge across the widening gulf between the classes, and, with the aid of

Manchester money-bags, won a great reform which considerably changed the national outlook for a long generation to come.

These diverse currents were always present; but now one, now another, became the main stream of opinion, and the others attendant eddies. Trade unionism came first into prominence with the efforts of John Doherty, leader of the Manchester cotton-spinners ("a man of wide information, great natural shrewdness, and far-reaching aims," says Mr Webb [1]), and others, to form national unions of individual trades, and then a single national union embracing all trades. A textile federation, of which little is known, was created early in 1830; and, a few months later, a delegate meeting at Manchester representing twenty trades founded the National Association for the Protection of Labour. This body seems to have enjoyed a vigorous life of about eighteen months. Some 150 separate unions, with a total of, perhaps, twenty thousand members, were enrolled. A weekly paper, at the outset called the *United Trades Co-operative Journal*, then *The Voice of the People*, was maintained; and at last it was claimed that the Association had 100,000 members. The employing class and the newspapers were very much alarmed; without training and a war-chest, however, there is no army, and the National Association ignominiously vanished. Humbler though still considerable efforts had a little more

[1] *History of Trade Unionism*, p. 104.

success. The first strong union of northern miners lived for about two years, going down in the Reform Bill crisis. A federal union of the building trades spread rapidly during 1832 and 1833, published an unstamped penny weekly paper, the *Pioneer*, held a congress of 270 delegates claiming to represent 30,000 operatives, and actually began constructing a "Builders' Gild Hall" in Birmingham. This and other unions of the day had inherited a fantastic ritual, apparently imitated from that of the Oddfellows, perhaps, also, of Freemasonry; and alarming accounts of their initiation of "lodge" members, with hymn, prayer, and oath, prostrate under a drawn sword before a skeleton, fed the fire of animosity lit by their more serious proceedings. The idea of a national labour organization—as the extreme trade unionists hoped, to procure shorter hours by a "universal" strike, or, as Owen hoped, for a still larger transformation—was in the air; and it crystallized early in 1834 in the shape of the Grand National Consolidated Trades Union. "Nothing in the annals of unionism in this country," says Mr Webb, "at all approached the rapidity of the growth which ensued. Within a few weeks, the union appears to have been joined by at least half-a-million members, including tens of thousands of farm labourers and women. . . . How the business of this colossal federation was actually managed we do not know—none of its records have been preserved. Some sort of executive committee sat in London, with

four paid officers. The avowed policy of the federation was to inaugurate a general strike of all wage-earners throughout the country. But, from the very beginning of its career, it found itself incessantly involved in sectional disputes. The mere joining of 'the Trades Union' was often made the occasion of the dismissal by the employers of all those who would not sign the 'document' abjuring all combinations."[1] In March 1834, a strike of gas-stokers kept Westminster for some days in partial darkness; in April, practically the whole industrial population ceased work for several days by way of demanding an eight-hours' day. The engineers won concessions, but most other strikes failed. During the following summer the whole movement collapsed, the national unions breaking up into local trade clubs, and the Grand National disappearing.

Not, however, before the Government and its supporters had been given an opportunity of exhibiting clearly the spirit that possessed them. It did not contain the first element of the right spirit of government—a sincere effort to understand the thoughts, sufferings, and needs of the people. At the time when nearly every educated and respectable person had learned to talk the bloodless language of the *laisser-faire* economics, the finer side, the ethical stimulus, of individualism was already exhausted. Thinking and feeling men and women were groping their way toward a

[1] Webb, *Trade Unionism*, pp. 120-2.

better faith. Hood's "Song of the Shirt," Elizabeth Barrett's "Cry of the Children," the war-songs of Ebenezer Elliott, Charles Mackay, and Gerald Massey, the novels of Dickens, George Eliot, and Charles Kingsley (boldly announcing himself as "Church parson and Chartist")—these were, or in the next years were to be, the inspiration that saved the soul of England, not any voice from the seat of public authority. The occasion may be deplored, but the thing itself we cannot weep over. The disobedience of the British people is like the disobedience of British boys, the weakness of our strength, a thing we hardly trouble to conceal our pride in. Every Ministry is on sufferance; the survival of Gold-Sticks-in-Waiting and Garter-Kings-at-Arms has always this much of real meaning, that in Britain the most powerful governor may be dismissed, and government go on just as before. Such a people will try "direct action" or indirect action, any and every kind of action, rather than lie down under flagrant wrong. Parliament itself is no sacred office, but an instrument of this independent temper. Carlyle anticipated in a few words the voluminous philosophy which M. Sorel has provided for the Syndicalists, when he lamented the too easy faith in the efficacy of "The Charter": "They are either speakers for that great dumb toiling class which cannot speak, or they are nothing that one can well specify. Alas, the remote observer knows not the nature of parliaments; how parliaments,

extant there for the British nation's sake, find that they are extant withal for their own sake; how parliaments travel so naturally in their deep rutted routine, commonplace worn into ruts axle-deep."

Lord Melbourne would see little to chose between strike and Charter. "Can't you let it alone?" he would say to those of his Cabinet colleagues who were not idlers. But, when the agricultural labourers, now faced by the grim promise of the workhouse, began to flood into the lodges of the Grand National, and the gloom of lampless Westminster answered to Owen's prophecy of democracy coming "like a thief in the night," panic seized the whole of the governing class. Panic is a cruel thing; and this outbreak will be for ever marked with shame by the case of the Dorchester labourers.

If the labourers were not to have doles, they must evidently have wages. In the village of Tolpuddle, in Dorsetshire, the farmers at first promised and gave the wage obtaining in other districts, and then proceeded to reduce it shilling by shilling. John and George Loveless and some others thereupon established a "Friendly Society of Agricultural Labourers," with the rules and ritual, including the initiation oath, of the Grand National. Everything was done openly; and the magistrates, hearing of it, issued placards warning the labourers that any who joined the union would be liable to transportation. They were, in fact,

so liable under an obsolete Act, passed after the naval mutiny of 1797, which penalized the administering of an oath by an unlawful society—provided that this village club could be proved unlawful. Three days later, on February 24, 1834, the Lovelesses and four others were arrested and imprisoned. After a travesty of justice at the Dorchester Spring Assizes, they were on March 8th found guilty of administering oaths unlawfully (there was no other charge), and sentenced to seven years' transportation. Melbourne expressed his full approval of the sentence; and, by the middle of April, the six men had sailed for Botany Bay.

Miss Martineau, none too sympathetic an observer of any trade-union movement, contrasts this barbarous sentence with the long inaction of the Government before a conspiracy of certain Orangemen and Tory Peers to place the Duke of Cumberland on the throne.[1] Trade-unionists and Radicals were at once afoot throughout the country; and many demonstrations of protest culminated on April 21 in a great procession carrying a petition with more than a quarter of a million signatures to the Home Office—the first example of what was to become a habit in British political agitation. The Government still believed, or

[1] There were said to be 140,000 members in 381 Orange Lodges in Great Britain, including thirty Lodges in the army; and it was stated that £20,000 had been spent on this plot. The Lodges were quietly dissolved in 1836; and in the following year, on Queen Victoria's accession, the Duke of Cumberland became King of Hanover.

affected to believe, that revolution was imminent. Artillery was brought from Woolwich; cannon were placed on the roofs of Whitehall; troops filled the courtyards; and 5000 special constables were sworn in. Owen and his friends were, however, equal to the occasion; 50,000 men marched from Kennington to Westminster and peacefully dispersed, and the myth of a conspiracy to seize Ministers and the Royal Family was soon forgotten. The "London Dorchester Committee," aided by Hume, Roebuck, Perronet Thompson, Thomas Wakley, and Daniel O'Connell, kept the scandal in the public memory; and in the summer of 1838 the reprieve of the victims was obtained. On their return from Van Diemen's Land, they received a public welcome, and a working-class subscription of £1300 enabled them to settle on small farms. This celebrated case had two good results: it made it clear that the nation would no longer tolerate the monstrous abuses of the criminal law against which Romilly had spent his strength in vain; and it led to the abandonment of masonic mummery by the trade unions.

## V. The Chartists

"Direct action" had proved a broken reed in the hands of labour groups having neither experience, organization, nor funds; and the idea of a "general strike" faded out of trade-union policy,

not to reappear for seventy years. The phrase was, indeed, often on the tongues of Chartist orators; and there was very much more serious evidence than this that the revolutionary temper in the people had not yet run its course. The decade ended in a three years' commercial crisis which spread ruin and suffering far and wide. It began with over-speculation, following upon several good harvests. Nearly five hundred banks were pouring out their note issues, under the inadequate safeguards of the Act of 1826; and a wholesale collapse of credit was only averted in 1837 by the Bank of England coming to the aid of the gamblers. In the United States, where the same mania had been running for several years, the logical end was reached: 618 banks broke in 1837, and 900 more in the next two years. This crash reacted disastrously upon British trade and manufacture. Factories and works were closed; whole streets of houses were left empty in some of the northern towns; expenditure was everywhere cut down; starvation was so common that the draconian rules of the workhouse system were necessarily relaxed. The sense of helplessness after the rout of the trade unions aggravated the sullen anger of men who now saw even the poor right of public meeting taken from them, and their leaders imprisoned on the slightest pretext. How this fire burned, we may gather from the wild lines addressed to the girl Queen by the good-hearted Ebenezer Elliott: "Here, too," he wrote—the reference

being to the recent suppression of the Canadian rebellion—

" Here, too, oh Queen, thy woe-worn people feel
The load they bear is more than they can bear ;
Beneath it twenty million workers reel,
While fifty thousand idlers rob and glare,
And mock the sufferings which they yet may share.

The Drama soon will end ; four acts are passed,
The curtain rises o'er embracing foes ;
But each dark smiter hugs his dagger fast,
While Doom prepares his match, and waits the close.
Queen of the Earthquake ! wouldst thou win or lose ? "

It was under these clouds, and amid such rumblings of revolution, that the Chartist and Free Trade movements were born. The former came of a junction of Hume, Roebuck, Place, and a few other prominent Radicals, with Wm. Lovett, Henry Vincent, and Henry Hetherington, leaders of a lately formed " Working Men's Association " in London, in May 1837. Formally, the Anti-Corn Law League was inaugurated at a large banquet in Manchester on January 22, 1839 ; actually, it had been founded on September 18, 1838. The decided opposition of both Russell and Peel to any further measure of reform, and the apparent impossibility of moving them to attack the tariff, led the Radicals into these two independent moves. By way of precision, the Radical-Labour Committee drew up in the form of a parliamentary Bill, which they called " The

People's Charter," a purely political programme based on the old familiar demand for universal manhood suffrage, annual Parliaments, vote by ballot, abolition of property qualifications, payment of members, and equal electoral districts. Eleven M.P.'s signed the "Six Points"; but some of them lost their seats in the autumn election, and all had soon lost touch with the Chartists. Lovett, an able writer, a good business man, and a Socialist of a moderate type, was only picking up again the threads of the political work he had done in 1831-2. Hetherington was the organiser *par excellence*. Vincent was a more typical Chartist leader—"the young Demosthenes" of the movement, said his admirers. "*Vox, et prœterea nihil*" would be, perhaps, too severe a judgment upon the first orators of the British labour movement, for the vast open-air meetings which they commanded throughout the country during the next few years must have required much self-sacrifice, energy, resource, and skill in management. But there was ever too much talk among the Chartists. Sometimes it was noble talk, with a genuine educational intent; sometimes it fell to vulgar and inflammatory declamation. For the conditions that made it sterile, by forbidding any fruitful action, the Chartists were not to blame. Yet, if other and finer types of leader had not been freely enlisted, if the agitation had not been constantly dignified by heroic devotion in the rank and file, it would not have won the respectable place it holds in history.

While the London group was sending out missionaries into the provinces, Thomas Attwood, M.P. for Birmingham, who had revived the "Political Union" of that city, was preparing a similar agitation in the Midlands. A Northern Political Union was quickly formed by Radicals and Labour men of Northumberland and Durham; its leading figures were the Irish demagogue Feargus O'Connor, Dr John Taylor, handsome, honest, and eloquent, Julian Harney, vain and passionate, at his best with the pen, and a solid workman, Robert Lowry. Scotland caught the infection after an open-air meeting in Glasgow at which 200,000 men with 200 banners were present, on May 28, 1838. On this occasion, Attwood stated the Birmingham plan, which was to obtain and present to Parliament a national petition for reform, "and if, after a fair trial, the Legislature should refuse, then the working men, with such of the middle-class as might be disposed to favour their views, should proclaim a solemn and sacred strike from every kind of labour."[1] "We have against us," he said, "the whole of the aristocracy, nine-tenths of the gentry, the great body of the clergy, and all the pensioners, sinecurists, and blooksuckers that feed on the vitals of the people"; but, adds his reporter, "he never seemed to contemplate the greatest obstacle of all, the newly enfranchised middle class." A month later, a crowd estimated at 80,000 gathered on the Town Moor at Newcastle. At Nottingham,

[1] Gammage: *History of the Chartist Movement*, p. 21.

two Nonconformist ministers and a farmer spoke. In the autumn, monster meetings were held in Birmingham and London, the High Bailiff of Westminster presiding at the latter, and the Rev. W. J. Fox and Ebenezer Elliott being among the speakers. On September 25, John Fielden, M.P., the Rev. John Rayner Stephens, an ex-Wesleyan minister dismissed for taking part in political agitation, and Feargus O'Connor addressed a crowd, estimated to number 300,000, on Kersall Moor, near Manchester; and on October 15 a meeting little smaller, with bands, flags, and banners, was held on Peep Green, between Leeds and Huddersfield. The glow of these and countless other meetings was kept fanned by the journals of the movement, chief among them Hetherington's *London Despatch* and O'Connor's *Northern Star*, and by other writings, of which those of Bronterre O'Brien were the best informed and most influential. It was necessary to invent new methods of propaganda, for public halls were commonly refused, or were too small; and, in the winter of 1838-9, the factory districts, in particular, were ablaze with torchlight processions and meetings, where banners bearing death's heads, daggers, red caps of liberty, and threatening mottoes, were much in favour.

The eternal crux of libertarian struggles appeared more and more plainly. The Government would yield nothing. The torchlight meetings were prohibited; Stephens, who had certainly delivered

inflammatory speeches, was arrested and sentenced to eighteen months' imprisonment. This only deepened the anger of the Lancashire operatives. One of the Welsh leaders, John Frost, was deprived of his magistracy by the personal action of Lord John Russell. When delegates from all over the country met in Convention, as they called it—that is, in a series of quarrelsome gatherings in Bolt Court, Fleet Street, London—in February 1839, it was found that a majority was more or less imbued with the belief that no hope remained except in physical force. Uncertain, divided, and really impotent, they temporised, and then adjourned in order to put certain proposals before a series of meetings in the country. The proposed measures included a run on the banks for gold, abstinence from all excisable articles, exclusive dealing, arming, and a general strike. At the same time, a resolution was adopted urging that arms should not be brought to the meetings, and that every effort should be made to keep the peace. Great demonstrations were again held on Kersall Moor, Peep Green, and Kennington Common, in Liverpool, Sunderland, Northampton, Glasgow, and many lesser towns. Some of them had been proclaimed; yet they were held, in the presence of bodies of soldiery and police, without disturbance. But, on July 8, a meeting in the Bull Ring, Birmingham, was violently broken up by an imported body of metropolitan police. Dr Taylor, who had stood between police and people and prevented reprisals,

was arrested, and died soon afterwards, his constitution broken with overwork and anxiety. Lovett and Harney (for denouncing it) and some eighty others were also arrested in connection with this affair. A week later, another attempt to hold a meeting in Birmingham was the occasion of a more serious riot; several shops and houses were fired, and the mayor and numbers of gentlefolk fled from the town.

Meanwhile, Attwood had presented to the House of Commons the great petition for the Charter, some passages of which well deserve quotation:

"That we, your petitioners, dwell in a land whose merchants are noted for their enterprise, whose manufacturers are very skilful, and whose workmen are proverbial for their industry. The land itself is goodly, the soil rich, and the temperature wholesome. It is abundantly furnished with the materials of commerce and trade. It has numerous and convenient harbours. In facility of internal communication it exceeds all others. For three and twenty years we have enjoyed a profound peace. Yet, with all the elements of national prosperity, and with every disposition and capacity to take advantage of them, we find ourselves overwhelmed with public and private suffering. We are bowed down under a load of taxes, which, notwithstanding, fall greatly short of the wants of our rulers. Our traders are trembling on the verge of bankruptcy; our workmen are starving. Capital brings no profit, and labour no remuneration. The home of the artificer is desolate, and the warehouse of the pawnbroker is full. The workhouse is crowded, and the manufactory is deserted.

"We have looked on every side; we have searched diligently in order to find out the causes of distress so sore and so long continued. We can discover none in nature or in Providence. . . . The energies of a mighty kingdom have been wasted in building up the power of selfish and ignorant men, and its resources squandered for their aggrandisement. The good of a part has been advanced at the sacrifice of the good of the nation. . . . The Reform Act has effected a transfer of power from one domineering faction to another, and left the people as helpless as before. . . . We come before your honourable House to tell you, with all humility, that this state of things must not be permitted to continue. That it cannot long continue without very seriously endangering the stability of the throne and the peace of the kingdom, and that if, by God's help and all lawful and constitutional appliances, an end can be put to it, we are fully resolved that it shall speedily come to an end. We tell your honourable House, that the capital of the master must no longer be deprived of its due profit; that the labour of the workman must no longer be deprived of its due reward. That the laws which make food dear, and the laws which make money scarce, must be abolished. That taxation must be made to fall on property, not on industry. That the good of the many, as it is the only legitimate end, so must it be the sole study of the government."

This petition, which required twelve men to carry it, and bore 1,280,000 signatures, was debated in the House on July 12th. Fielden seconded Attwood's motion; and Hume, Villiers, and Wakley spoke with some sympathy. The division showed 48 for, 237 against. "You may as well petition the Rock of Gibraltar," cried Wakley

Bronterre O'Brien at this juncture saved the movement from a tragic blunder by persuading the Convention that the country would not respond to a call for a general strike, or, as it was called, "The sacred month." A few days later, he was arrested for a recent speech, along with other leading agitators in the north-eastern counties. At Stockport, ten men were imprisoned for possessing arms. But for the skill and tact with which Sir Charles Napier managed his troops, there would have been a real insurrection in the North. At the Montgomeryshire assizes, forty persons were found guilty of training, drilling, or riot, and sentenced to various terms of imprisonment or transportation. At Warwick, Lovett was condemned to a year in prison, and four Birmingham men to death, the latter sentence being commuted to transportation for life. Hundreds of the most active Chartists were thus taken out of the ranks. The harsh treatment of Vincent in prison led to the most deplorable episode of all, the so-called Monmouth rising. On the night of November 3–4, 1839, a body of miners and others, several thousands strong, and armed with pikes, muskets, and bludgeons, marched down from the hills, apparently with the intention of releasing Vincent and his fellow-prisoners. John Frost accompanied them. Arrived outside the Westgate Hotel, where a company of the 45th Regiment was stationed, the mob demanded the release of the prisoners, and some shots were then fired into the

hotel. The soldiers replied, killing ten men and wounding many more. At the subsequent trial, the large number of witnesses who " turned Queen's evidence " was popularly translated as confirming the suspicion that official aid had been given to the conspiracy. Frost and two others were condemned to death, and nineteen men to transportation or imprisonment. Ostensibly on the ground of a technical irregularity at the trial, the death sentences were commuted, and the three major prisoners were transported for life. Their case was the subject of much agitation ; but it was not till 1850 that they received a conditional pardon, and Frost was only allowed to return to England six years later.

The first Chartist Convention, deprived by arrest or resignation of many of its ablest members, dissolved itself on September 6, 1839. In May 1840, Feargus O'Connor was condemned to eighteen months in York Castle. The old journals of the movement disappeared. The insurrectionary stage was past. On July 20, 1840, a meeting of delegates in Manchester established the " National Charter Association of Great Britain," agreeing that only peaceful and constitutional methods should be used. But the old differences continued : there was no agreement on policy for the 1842 election ; and, while Lovett wanted a crusade of education, Vincent wanted teetotalism, others wanted labour churches or land reform, and a few joined David Urquhart in denouncing the pro-Russian policy

of Lord Palmerston. New men arose, Thomas Cooper and Ernest Jones being the ablest of them. Feargus O'Connor, more unstable than ever, persisted, even survived the culminating fiasco of 1848, to end his days in a lunatic asylum.

The body of the rank and file had long ago been captured by the Radical reformers of the Anti-Corn Law League, who, if they promised less, had the merit of performing more.

## VI. End of the Corn Law

There is nothing obscure or complex about the eight years' campaign of the Manchester men for the abolition of the protective tariff. It was almost exclusively a campaign of education; and, great as was the opprobrium and the opposition its missionaries had to suffer at the hands of the landlord party, on the one hand, and the wilder Chartists on the other, they never had to fear the penalties of prison or exile. They began with two important advantages: a single, clear principle, harmonious with the philosophy and experience of the time, and the vigorous support of the more intelligent manufacturers and merchants. They had the plain object-lesson of wheat at seventy-seven shillings a quarter in time of peace; but the enemy was strong in the inertia of an ancient and deep-rooted system. In December 1838, the Manchester Chamber of Commerce passed a resolution declaring that "the great and peaceful

principle of Free Trade, on the broadest scale, is the only security for our manufacturing prosperity, and the welfare of every portion of the community." Other cities were circularised; and, at a public dinner in Manchester a month later, there were present eight hundred delegates and six members of Parliament. At the opening of the session, a Convention of 300 met in London, and assumed the name of the Anti-Corn Law League. In 1838, Villiers' motion to consider the Corn Laws had been rejected in the Commons by 300 to 95 votes. In course of a debate in 1839, Melbourne, the Premier, said: "To leave the whole agricultural interest without protection, I declare before God that I think it the wildest and maddest scheme that has ever entered into the imagination of man to conceive." The Radical Leaguers—among whom must be distinguished Richard Cobden, M.P., John Bright, M.P., C. P. Villiers, M.P., Milner Gibson, M.P., George Wilson, W. J. Fox, Francis Place, Hamer Stansfeld, Edward Baines, P. A. Taylor, Dr. Bowring, M.P., Sir Thomas Potter, and Thomas Ashton—knew that this infatuated Whiggism was less to be feared than an explosion of popular discontent. The press of the two great parties was closed to them, until, by a flood of pamphlets, leaflets, and circulars, and a swarm of lecturers, they had proved their ability to reach the nation independently.

It needed only a resolute, skilful attack to bring off this great victory. The country party was

declining numerically, and had not the sense to attempt a compromise. That the manufacturers had a personal interest in getting cheap food for their hands, and cheap material for their machines, gave the agrarians a verbal retort, but no substantial help. When, by the new Poor Law, the agricultural labourer lost his wretched share of the profits of the grain tariff, Protection lost its last rag of decency. In the beginning, it had been possible to represent it as a sort of bargain; for twenty years it had been a rank oppression, made possible only by the refusal of political power to the nation. The Trade Union and Chartist movements had convinced all but the most obstinate that something must be done, and had stirred a more generous spirit in thousands of hitherto satisfied minds. Dickens, whose *Boz*, *Pickwick*, *Oliver Twist*, and *Nicholas Nickleby* appeared between 1836 and 1839, and his *Christmas Carol* in 1843, incomparably represents this wave of kindlier feeling. Carlyle contributed his *Chartism* in 1839, and *Past and Present* in 1843. Anyone who has heard an audience of north-country workmen sing Ebenezer Elliott's "God save the People" will understand the influence of the "Corn Law Rhymers." But, after all, plain fact was the chief preacher.

A remarkable collection has been made of reminiscences of these terrible years,[1] and there are few more grievous documents in the language.

[1] *The Hungry Forties.* Descriptive letters, etc., with an Introduction by Mrs Cobden Unwin. 1904.

It reads like the story of a country ravaged by a long war. The amenities of normal life had disappeared. Everywhere men and, worse, women and children, were struggling for a bare subsistence. In the country, women, if wanted, could earn 8d. or 10d. a day at field work, and children were taken out to share their parents' toil as soon as they could walk. A boy would start with a penny or twopence a week for bird-scaring, as carter-boy made as much as two shillings, and as milk-boy four shillings: then the family could afford an extra daily loaf. Adult labourers' wages were 8s. to 10s. a week. Out of this, £6 a year might go in rent. Potatoes, barley, and turnips figured largely in the diet of the poor. Meat, white bread, and butter were luxuries. Good meal and bad meal were mixed together; oats, pease, and rye took the place of wheat; burnt crusts and dried herbs made a substitute for tea. The 4-lb. loaf cost 11½d., tea from 5s. to 8s. per lb., common sugar 6d. to 9d. A staple dish was a mess of potatoes cooked in the three-leg iron pot of the time, with a little fat for flavouring. After the potato failure especially, swedes were commonly stolen from the fields. Rabbits and small game were taken when possible. There are piteous glimpses of shoeless, ragged, and hungry children, not daring to ask their mother for another helping. In the towns, there were no swedes to steal, no fuel to gather, and work was more irregular. Carpenters, masons, plumbers, wheelwrights, made about 18s. a week, unskilled

labourers 12s. to 15s. But work came and went. In 1841, there were said to be two thousand houses empty in Preston, twelve thousand families supported by charity in Manchester, and a fifth of the population "on the rates" in Birmingham. Incendiarism, breaking of mill machinery, and highway robbery were frequent. In Newark, a mob of men paraded through the streets carrying little loaves dipped in blood on pikes, and crying, "Bread, or Blood!" That, in fact, was the choice.

It would be unjust to Cobden and Bright and their fellows to leave the impression that their triumph arose simply from the use of this material emergency. Too long detained in the anterooms of Whig Ministers, the Radicals now for the first time came forth with a bold appeal to the intelligence of the nation, and a programme not even limited to national affairs, but prophetic of great changes that were to come after many years in international life also. Cobden fought a universal and perpetual enemy in the only effective way, with a principle of universal and perpetual validity; that is why his name is still a battle-cry. His triple prescription of Free Trade, Peace and Retrenchment, and Reform, was the answer not to three different evils, but to three chief phases of an universal evil. He attacked what were in his time, and still are, throughout the Western world, the most flagrant methods of despoiling the many for the benefit of a few. Against the wrong of tariff privilege, he set the right of unimpeded

purchase; against the kindred wrong of foreign adventure, he opposed a policy of economy and conciliation; against other forms of monopoly and privilege, as we gather from his words on the land and education, he would, had he lived, have elaborated further measures. The arbitration treaties of recent years are as much a memorial of his life as the immense material success of the Free Trade system; and both show how far his work transcended ordinary party divisions.

He had some of the narrowness of his time and class. The world has passed beyond the bounds of his individualism, as it has rejected the conclusion he accepted from the Benthamite school that colonies should be encouraged to "hive off" as independent nations. But his achievements set him high in the annals of Britain, and they carry with them the memory of a character honoured by friend and foe alike. Peel gave to Cobden all the credit for his greatest achievement. "There are some Members of Parliament," said Disraeli, "who, though they may not be present, are still members of this House, are independent of dissolutions, of the caprices of constituencies, and even of the course of time. Cobden was one of these men." If he became, as Mr Balfour has said, "the most effective of missionaries and the greatest of agitators," it was because he added to patent unselfishness and energetic devotion a rare combination of other, apparently opposite, qualities. He was very truthful, yet not tactless; direct of

purpose and incapable of chicane, yet full of resource in his propaganda; vigorous and downright, yet always winning and persuasive; intensely practical, but full of faith in human nature; remarkable in foresight, though bent on immediate tasks; deeply ethical, even in the midst of economic argument. If his principles stood for half a century unchallenged, and still stand, it is because he first made perfectly sure of his facts. He spoke of agriculture and manufacture alike from experience. He travelled in many lands, and learned everywhere. He never allowed himself to become the slave of party, or even of Parliament. Born in poverty, the hardships of life showed him the way to the heart of the people. Of him, more than any man of his time, it may be said that he brought food to the hungry, and peace where there had been a sword.

Cobden entered the House of Commons along with the Tory majority under Peel, in the summer of 1841. Signs of coming change soon appeared. In 1842, Peel carried his sliding scale of corn duties, and (the Free Traders' amendment having been again rejected, by 393 to 90) then proceeded to remove many duties from the tariff, and to substitute for them an income-tax. In 1843, the League began to hold monthly meetings in Covent Garden Theatre. In 1844, a commercial revival yielded a surplus, and further duties were remitted. There had been two good harvests, and the spirits of the repealers were damped. Nevertheless, Cobden spoke to such good effect, in March 1845,

that Sir Robert Peel turned to Sidney Herbert and said: "You will have to answer him; I cannot." In the lobby, afterwards, some one remarked that the speech would be hard to answer, to which Peel replied in a low, grave tone: "It is unanswerable." This summer he abolished 430 petty items of the tariff, and reduced the sugar tax.

Now fell the final argument. Cobden had said that the Corn Law would not survive another famine season. That autumn, three-quarters of the potato crop and a quarter of the oats crop of Ireland failed. The loss was estimated at £16 millions; but no money figures could express the cost to a people which lived on potatoes, with an occasional herring and a little milk—the worst housed, the worst fed, and the worst clothed peasantry in Europe, the Devon Commission had just said. In the south and west, many thousands died of hunger before relief works could be organised. The works were swamped—low as was the pay, farmers left their land, and harvesters returned from England, to get it. Half-a-million men were kept, chiefly at road-mending. Ten millions sterling were voted early in 1847 to cover the cost of relief. Large voluntary subscriptions were also raised; and gallant men and women brought the helping hand. For the first time, wholesale outdoor relief was given in Ireland. Only by a great tide of emigration to the United States was the strain at length relieved.

On the first news coming, the League had organ-

ised public meetings throughout England. Peel summoned the Cabinet, and proposed the opening of the ports. Simultaneously, Lord John Russell committed himself for the first time to the repeal of the Corn Laws, a system, he said, "which had been proved to be the blight of commerce, the bane of agriculture, the source of bitter division among classes, the cause of penury, fever, and crime among the people." Failing the support of his colleagues, Peel resigned in December 1845. Russell tried to form a Ministry, but could not get Grey and Palmerston to act together. Peel, accordingly, returned to power (with W. E. Gladstone as Colonial and War Secretary). At a great demonstration of the League in Manchester, £60,000 was subscribed in an hour and a half. On the meeting of Parliament, at the end of January 1846, Peel announced his conversion to Free Trade; the time had come, he said, when "that Protection which he had taken office to maintain must be abandoned for ever."

The Repeal Bill, despite strong opposition, was carried on March 15th, in the Commons, by 327 to 229, in the Lords, on June 25th, by 211 to 164. Directly afterwards, the Protectionists took their revenge by defeating the Government on its Irish Coercion Bill. Peel went down bravely, amid the execration of his former friends, of whom Disraeli was becoming the bright, particular star, and the rejoicings of the people. "It may be," said this fine English gentleman, on resigning office, "that I shall leave a name sometimes remembered with

expressions of goodwill in those places which are the abode of men whose lot is to labour and earn their bread by the sweat of their brow—a name remembered with expressions of goodwill when they shall recreate their exhausted strength with abundant and untaxed food, the sweeter because it is no longer leavened with a sense of injustice."

Once more, millennial expectations were doomed to disappointment. Although repeal was to come into full effect only in 1849, grain prices fell at once. But two bad harvests in England and a continuance of bad crops in Ireland made a melancholy change. The price of wheat, which had been 50s. 10d. per quarter in 1845, and averaged 54s. 8d. in the repeal year, rose to 69s. 9d. in 1847. Only at the end of 1848 did the gradual fall begin which, having reached 40s. 9d. in 1852, was afterwards checked by the stoppage of Russian supplies during the Crimean War. The momentary return of high prices was disastrously aggravated in 1847 by a financial crisis due to railway speculation and a short crop of cotton in America. The career of Hudson, the "Railway King," is typical of the time —after being M.P. for Sunderland and Lord Mayor of York, and amassing a huge fortune, he failed discreditably, and died a pauper. Up to 1844, only about five millions had been spent on railway construction; in the following four years, no less than £185 millions were raised. There could be no immediate return proportionate to this enormous investment; and the folly of bankers again deepened

the mischief of stringency of money. The credit crisis was met by the drastic step of suspending the Bank Act; but tens of thousands of workmen had suffered unemployment before the manufacturing districts began to recover. The Continent was also groaning under bad harvests; this complication of troubles was at the root of the revolutionary outbreaks of 1848. The internationality of markets was, in fact, becoming a noticeable fact.

When Louis Philippe and his Queen, as plain "Mr and Mrs Smith," landed at Newhaven on Feb. 24, 1848, and made their way to Claremont, Sir Robert Peel observed that a like fate would have overtaken the English Royal Family but for Free Trade. Paternal pride is a magnifying-glass even in the family of politicians; but it is, no doubt, true that, but for the abolition of the Corn Law, the revival of Chartism would have been a much more serious matter. The mass of the people were as far as ever from gaining the power of the vote. They had no chance of getting more than the poorest beginnings of an education. The sole holidays they knew were periods when they could get no work; and only a patronizing charity or the cold mercy of the workhouse saved many from starvation. More than ever, they were dependent upon the machines against which they could not compete. What ray of hope could yet penetrate into the slums, periodically swept by cholera, fever, and small-pox? This one wintry ray—that the bread loaf would presently cost 8d. or 9d. instead of 11d.

On April 10, 1848, the remaining Chartists made their last effort. Feargus O'Connor, now M.P. for Nottingham, had announced that, after a mass-meeting on Kennington Common, 200,000 men would march to Westminster and present their petition to the House of Commons. Lord John Russell informed Prince Albert, on the eve of this day of alarms, that the procession would be stopped at the bridge, and that the Duke of Wellington was making military preparations. In fact, troops were ready, and 200,000 special constables were enrolled, Mr Gladstone being one of them. "I have no doubt of their easy triumph over a London mob," said Lord John. "But any loss of life will cause a deep and rankling resentment." Prince Albert's reply is interesting: "I should be exceedingly mortified if anything like a commotion was to take place, as it would shake that confidence which the whole of Europe reposes in our stability. I have inquired a good deal into the state of employment about London; and I find, to my great regret, that the number of workmen of all trades out of employment is very large, and that it has been increased by the reduction of all the works under Government, owing to the clamour for economy in the House of Commons. Several hundred workmen have been discharged at Westminster Palace; at Buckingham Palace much fewer hands are employed than are really wanted; the formation of Battersea Park has been suspended, etc. etc. Surely this is not the moment for the tax-payers to economize upon the

working classes! And, though I don't wish our Government to follow Louis Blanc in his system of *organisation du travail*, I think the Government is bound to do what it can to help the working classes over the present moment of distress." [1]

Only 20,000 demonstrators appeared at Kennington; and Feargus O'Connor, descendant of Irish kings, now reduced to trembling cowardice, advised them to disperse. The grand petition, taken in five cabs to the House, was found to bear not five, but less than two, millions of signatures, many of these being fictitious. The movement died of humiliation.

A year later, the Free Trade principle was in full operation; and the magical growth of British commerce, driven by steam, and guided by Rowland Hill's penny post and Wheatstone's electric telegraph, had begun. The bottom of the pit of misery into which the British people had been led at the beginning of the century was reached and passed. We shall have now the happier task of following them in their slow upward course toward a new, firmer, and juster social settlement than that whose collapse had led to the sufferings we have traced. Dickens and Carlyle, the Christian Socialists and the "Young England" Tories, the Corn Law rhymers and the Chartist orators, had not testified in vain. After a long eclipse, England raised aloft again before the world the lamp of liberty. *Laisser faire* was not dead, but its dogmatic youth was

[1] *The Letters of Queen Victoria*, ii. 167-8.

gone After fifty years, the philosophy of the first Census was beginning to be understood. Among the good omens that mark this meridian of the nineteenth century, not the least significant is a voice from the Palace, telling a Liberal Minister that it is not much to "triumph over a London mob," and that his duty, if not a Socialistic *organisation du travail*, is at least to do what he can to "help the working classes."

# CHAPTER VI

## THE WORLD'S WORKSHOP (1850–1866)

### I. EMPLOYMENT AND EDUCATION

AT the opening of the second half of the nineteenth century, it will be well to take our stand once more upon the most fundamental of all social facts, those revealed by the Census, and to consider for a moment the changes that fifty years had wrought in the character and distribution of the British population.

In the first place, its numbers had nearly doubled, the increase being 93·5 per cent. for Great Britain, 97·2 per cent. for England and Wales only. Ireland, on the other hand, showed a decline, since 1841, of 1,700,000 persons, chiefly by emigration to the United States; and this decline has continued, though at a slackening pace, to the present day.[1] Birth-rates and death-rates were not yet impeccably accurate; but we can compare the age-constitution of the people of England and Wales in 1821 and 1851. At the earlier date 279 per thousand, at the later only 247 per thousand, were under ten years of age; the mingled joys and pains of parentage

[1] Appendix I.

were, then, somewhat reduced; the nation was, literally, more grown up. Two-thirds of the population lived in the country and the small towns, one-third only in towns of 20,000 inhabitants or more. But the rural population was increasing very slowly (in Wiltshire and Argyll there was an actual decline in the decade 1841-51; in Berkshire, Buckingham, Dorset the increase was only five per cent.; in Norfolk and Suffolk only 7 per cent.). The general increase of England and Wales for these ten years was 13 per cent., that of Durham 27 per cent., Lanark 24 per cent., Lancashire 22 per cent., Middlesex and Staffordshire 20 per cent., the West Riding 14 per cent. Looking backward over the half-century, we find that, since 1801, the rural and small town population had grown by 70 per cent., that of London by 146 per cent., the seaports 195 per cent., the mining and hardware towns 217 per cent., the mining towns 224 per cent., and the watering places 254 per cent.—a notable proof, this last figure, of increasing wealth.[1]

The particulars of occupations in the early Censuses are, unfortunately, not comparable; but we cannot be far wrong in supposing that, in the middle of the century, one-fifth of the population was directly dependent on agriculture, one-half on trade, and the remainder on domestic service and other employments. It is evident that the small trades of the small towns counted then for much more than they do now. But the textile trades

[1] *Details from Report of* 1851 *Census*, vol. i. pp. xxxiii.-xlix.

alone (cotton, calico, woollen, worsted, silk, and linen) employed nearly a million hands in 1851. There were also 1,760,000 agricultural labourers, farmers, servants, shepherds, and graziers; a million domestic servants; 430,000 milliners and tailors; 274,000 boot- and shoe-makers; 219,000 coal miners. The iron shipbuilding, machinery, and engineering trades were still in their infancy. The army and navy numbered 178,000 men.

The Census of 1851 included a first attempt to measure closely the educational facilities of the kingdom; and there is no better evidence than the report on this subject of the practical failure of the Benthamite individualists to obtain for the masses of the people the one boon about which there could be no manner of doubt. Until the nineteenth century was well advanced, there was hardly any day-schooling for the working classes in England. The Sunday-schools, initiated in 1781 by Raikes of Gloucester, set a faint, wavering flame burning in a few minds, just enough to make the prevailing darkness visible. In 1796, Joseph Lancaster started in Southwark the unsectarian day-school system which led to the foundation, in 1808, of the British and Foreign School Society. In 1803, the Sunday School Union commenced its work. Not to be outdone by the Lancasterians, a body of orthodox dogmatists founded, in 1811, the National Society for the Education of the Poor in the Principles of the Established Church. From that day to this, sectarian narrowness and rivalry

have poisoned the springs of popular knowledge. In 1836, the Home and Colonial School Society was established; and the Ragged School movement (sadly appropriate name) followed. We have seen that it was not till 1833, a year after Bentham's death, that the first Parliamentary grant in aid of public instruction was made. J. S. Mill, who had greatly modified the *laisser-faire* principle, and included in his *Political Economy* (1848) a moderate argument for State provision (though not a State monopoly, or even a rigid control) of education, was moved by the fact, as he said, that the existing charitable system "even in quantity is, and is likely to remain, altogether insufficient, while in quality, though with some slight tendency to improvement, it is never good except by some rare accident, and generally so bad as to be little more than nominal."

Once more, it was not argument that broke up the old doctrinaire theory of the relations of the State and the citizen—Mill's argument was of the simplest, and is to-day altogether inadequate—but hard facts, impossible to ignore or evade. In 1839, a proposal to establish a Government normal school was defeated by the Church, jealous for its control over the greater part of the educational machinery of the country. Four years later, the Nonconformists took their revenge by defeating plans for the education of factory children. In 1839, the management of the grant was transferred from the Treasury to an Education Com-

mittee of the Privy Council, and its amount was increased to £30,000. Once engaged in this field, it was inevitable that the State should go further and further. The grant gradually rose to £100,000 in 1846-7, £260,000 in 1853, and reached in 1865 the respectable sum of £636,000. It was not directly administered, but was supposed to be shared among the chief organisations, sectarian and unsectarian, in the form of subventions toward the cost of buildings and of teaching. It is to be noted, however, that, in the years 1839-50, the Established Church received four-fifths of the whole sum paid over.[1]

The advance made up to this point may be thus represented:

| | 1818. | 1833. | 1851. |
|---|---|---|---|
| Day Schools | 19,230 | 38,971 | 46,042 |
| „ Scholars | 674,883 | 1,276,947 | 2,144,378 |
| Sunday Schools | 5,462 | 16,828 | 23,574 |
| „ Scholars | 477,225 | 1,548,890 | 2,407,642 |
| Adult Evening Schools | .. | .. | 1,545 |
| „ „ Scholars | .. | .. | 39,783 |
| Literary, Science, and Mechanics' Institutions | .. | .. | 1,057 |

At first sight, these figures seem to show a satisfactory increase, even when we allow for a growth of population amounting to over fifty per cent. But the report shows that, counting 600,000 children between three and fifteen years as permanently employed in industry, or, perhaps, a million including those casually employed, there

[1] *Census Report*, 1851, Education Volume, p. xviii.

still remained 3,663,000 of school age. Again, if children under three and over twelve were deducted, there still remained over three millions. So that nearly a million children at the most modest computation remained without any day-schooling—this at a time when in Prussia elementary education was compulsory for every child from five to fourteen years. The reason for this national neglect is given plainly by the authors of the Census inquiry—it was the parents' need of the beggarly earnings of their children. "Many obtain permanent employment as early as the age of nine, and all from that age upwards are considered capable of certain kinds of agricultural labour. Children begin to be employed in factories, in needle-making, button-making, as errand boys, and in various other capacities, some as early as six, others at any time from six to ten. Among the middle classes, children remain longer at school, and the boys become apprentices, etc., at the age of fourteen or fifteen. In very few cases is the period of education protracted beyond fifteen."

The humane desire to get some poor modicum of schooling for working-class children was an important element in the movement for factory legislation. At the beginning of the century, Robert Owen had suggested a legal division of the poor child's day between school and factory; but it was only with the establishment of the factory inspectorate, in 1833, that this idea was forced into the domain of practical politics. The in-

spectors were "authorized" to "establish, or procure the establishment" of, schools for the little toilers, between nine and thirteen years of age, in cotton, woollen, and flax mills, who now came under the guardianship of the law. But no provision was made for this purpose; and, indeed, of what use could schools be to small children after an eight-hours' day in a factory? A few benevolent employers set a good example; in general, the "dame's school" illustrated Mill's dictum that education was "never good except by some rare accident." The inspectors became convinced advocates of State control; and, as a step thereto, Mr Leonard Horner revived the idea of a "half-time" system, one set of children being at school in the morning and at factory in the afternoon, while another set worked in the morning and studied in the later hours. At the cost of a reduction of the factory age from the ninth to the eighth year, this change was established by the Factory Act of 1844. It is easy to-day to see the weaknesses, and even the cruelty, of the "half-time" system; but in its time (and toward the end of the century there were still 170,000 half-time children on the school registers in England, 90,000 of these in Lancashire), it did good service as an introduction to the era of free compulsory education.

In 1843, Mr Horner had reported that, within an area of eight miles by four, embracing one of the most enterprising and populous districts in

Lancashire, and including the boroughs of Oldham and Ashton, with a population of 105,000, there was not one public day-school for the children of the working classes. The Act of 1844 provided for the payment of fines in factory cases to schools for the education of factory children; and, in the six following years, £1738 was so paid over in Mr Horner's district. Three-quarters of this sum went to Church schools. But the good were few, the bad many; and, in his report of 1850, the inspector gives a lamentable picture of what this meant. "The utter incapacity of the teacher; the small, crowded room; the intermixture, and often the predominance, of infants collected there to eke out the miserable pittance of the teacher; the scarcity of books; the tattered and dirty conditions of those they have, generally the Bible; the larger proportion of the children doing absolutely nothing for nine-tenths of the time they are under confinement, and evidently enduring all the pains of doing nothing; the noise, and the close and tainted atmosphere—these things render a visit to such mock schools a most painful duty, exciting feelings of deep regret that the legislature should, year after near, do so very little for the removal of this most dangerous and crying evil, the root of numberless vices, the source of incalculable loss."

In 1852, Sir John Kincaid reported upon the ignorance of factory children in Scotland. Of 88 children over thirteen, at one mill, who pre-

sented themselves for certificates, 26 had never learned their letters, 17 knew their letters only, 17 had not got beyond small words, 11 could read only, and only 17 could both read and write. Rather than be troubled about their education, the Scottish manufacturers refused to employ children; and, in 1850, only some nine hundred under the age of thirteen were employed. In 1853, Mr Horner said that, of 427 schools in his district, not one-fifth were good and efficient, even according to the modest standards of the time, while one-third were distinctly bad, and one-seventh were positively mischievous. He commented sarcastically upon the scriptural zoology of the school library, and upon the zeal of the philanthropic factory-owner who had two religious tracts left at every house in his town regularly every Sabbath. "Nothing," he added, "can be more fallacious than statistical tables giving the numbers of children attending schools if these numbers be read as an indication that so many children are receiving education." In 1854, Inspector Redgrave published some remarkable figures, the result of an inquiry embracing about 20,000 children. Only a quarter of these stayed at school longer than two years; and the average for the whole number was only one year. Of the children of the factory class, 10·7 per cent. were learning reading only, 21·3 per cent. reading and writing, 41·7 per cent. reading, writing, and four simple rules of arithmetic, and 26·3 per cent.

also took grammar, geography, history, and some higher arithmetic. Of the non-factory children, 47·4 per cent. had not got beyond reading and writing, this inferiority being explained by the fact that they were not, like the factory children, limited to those over eight years of age. It was added that 32 per cent. of "half-timers" came to work and school ignorant even of the alphabet.

These facts sufficiently indicate how slight was the advance made in education until, by the Act of 1870, the State itself undertook this essential duty of a civilized society. Under voluntaryism, the enlightenment of a few individuals was effectually outweighed by the obscurantism a classic instance of which is quoted in the Factory Inspector's Report of 1856 from the *Times* (June 27th): "A poor boy's education is reading and writing. When he is once able to read, he has got the key to further knowledge, and it must be left to himself to use that key, or not. But it is idle to expect that the demands of active life will let you ordinarily give him more than this. You cannot give the poor an education. You cannot ordinarily do more than give them this key; and we must limit our ideas of what constitutes a poor boy's education accordingly." The only possible reply to a *non possumus* like this is an alteration of political power. A wise middle-class Parliament would have said that schooling should precede the vote. In fact, however, the establishment of

board schools was the first great consequence of the enfranchisement of the town workmen in 1867.

## II. Problems of Peace and War

On May 1, 1851, the Prince Consort saw the triumphant conclusion of two years' hard work in the opening of the first great International Exhibition of industrial, agricultural, and artistic products. Joseph Paxton's palace of glass and iron in Hyde Park was at least as remarkable as the unprecedented collection which it housed; and the success of the enterprise, despite opposition, despite the jokes of *Punch*, and the bickerings of certain diplomatists, was emphasized by the orderly conduct of three-quarters of a million people who witnessed the ceremonies. It was, as Queen Victoria proudly recorded, "a complete and beautiful triumph, a glorious and touching sight, a day to live for ever." It appeared for a moment as though the Cobdenite millennium had arrived. The depth of disappointment which followed corresponded with the height of these golden expectations. The following winter witnessed Louis Napoleon's *coup d'état*, a French scare in England, and the initiation of the Volunteer movement. No sooner were the Channel coast pleasure resorts found to be safe than the fears and jealousy of England and France were attracted to the southward gravitation of Russia; and, from

the end of February 1854 to March 1856, the energies of these three nations were absorbed in the Crimean War. Two odious little campaigns in Persia and China preceded the frightful events of the Sepoy Mutiny, and the reconquest of India, in 1857. This convulsion led in the following year to the abolition of the East India Company, and the assumption of full governing responsibility by the Crown. In 1859, France and Austria took to arms, and the dragging struggle for Italian unity began. From 1861 to 1865, the North American Republic was torn asunder by a conflict which is estimated to have cost two thousand millions sterling in money and a million good lives. Meanwhile, after a momentary union at the cost of Schleswig-Holstein (1864), the long quarrel between Austria and Prussia had come to a final trial. In 1866, at Sadowa, Bismarck, Moltke, and Roon proved their superiority, as exponents of the arts of force, over the heirs of the Holy Empire, and Austria appeared no more in German affairs. In 1870-71, the German States turned upon France, and proclaimed their federal Empire in the palace of Louis Quatorze. The list of great wars is not even concluded with the Russo-Turkish war of 1877-8, for a new equilibrium had yet to be established in Africa and Further Asia.

It is not wonderful that, amid this resurgence of primitive passions, the young Peace Movement should fall into disfavour, and the optimism of Cobden and Bright, Victor Hugo and Elihu Burritt,

give place to misinterpretations of social evolution as a perpetual and universal "struggle for life." We have happily emerged at a point where a longer and truer view is possible. The celestial visions of 1851 were evidently unjustified; nevertheless, they enshrined a vital truth. History gives no countenance to the expectation of a Kingdom of Heaven coming "like a thief in the night." Every inch of progress must be won by effort; and, just because it means so much more than the absence of war—because it involves not only security, law, and order, but something of justice and equality also—peace cannot be easily achieved. International peace is a condition not of innocence, but of organization; and nations must themselves be organised before they can make a world-comity. The organization of unequal units of any kind must be difficult; the organization of clans and tribes, insular and continental, in every variety of advance toward civilization, and, with these, of urban States and rural States, unitary States and federal States, republics and monarchies, free-trading or protectionist, ancient or modern, feudal or industrial, autocratic or democratic, black, white, or yellow, Christian, Mohammedan, Buddhist, or Confucian—this must necessarily be the task of centuries. It is, nevertheless, the task to which, by some law of the conservation of human energy, man is inevitably compelled.

The post-Napoleonic settlement had opened, or left open, four groups of problems which became

more and more pressing as the effects of twenty-three years of bloodshed and extortion passed away: (1) It bargained away and parcelled out the lands of Europe, without consideration of the will of the inhabitants, or their natural and historic divisions. This arbitrary work gave rise to the problem of *Nationality*, which was at the root of several of the conflicts named above. (2) It established a reactionary alliance of rulers and statesmen, by which the greater part of the Continent was kept under till the middle of the century. The Metternichian régime forced a general demand for political *Democracy*, and was at length submerged in the flood of revolutionary feeling. It left behind, however, the embryo of a system of *International Concert* which has powerfully affected European development, and has been partially extended to the affairs of all the organized States of the world. (3) Turkey was not affected by the settlement after Waterloo; Asia was unaffected, and was still, indeed, little known; Africa was practically unknown beyond the coast; America, was, of course, unaffected. East and West called with siren voices to the jaded sinners of old Europe; and, by the opposite roads of conquest and colonisation, men swarmed out to subdue and fill the earth. Hence the problems of *Empire*, which loomed large and larger as the century advanced. (4) The peace after Waterloo liberated the new economic forces of which Britain was the cradle The factory machine, the steam

locomotive and steamship, the electric telegraph, the daily newspaper, the joint-stock company, the international bank—these and other instruments of the economic revolution have already changed the face of the globe. They have provoked an immense increase of population (lately arrested in the most progressive lands), a new education and mobility, a vast augmentation of wealth and comfort, along with much misery and discontent. They have created new bonds of interest and experience between peoples, and have at the same time made new occasions of rivalry and new possibilities of misunderstanding. They have developed both property and labour into international forces. And, incidentally, they have produced three important schools of policy—*Protectionism*, *Socialism*, and *Pacifism*.

In the development of the ideas and interests involved in the names here italicised rests much of the substance of the history of the last two generations. To explain them in any detail is beyond the purpose and proportions of such a sketch as this. But, at the moment when, under the stimulus of fiscal freedom, England is seen to become, for the first time, the "workshop of the world," it is well to realize, by a forward glance, some of the larger meaning of this departure. It is with nations as with individuals: they live not by competition only, or by co-operation only, but by both co-operation and competition. This life-process is easily misrepresented. Wisdom

rarely comes to the peoples except by experience—so they are not fit for self-government till they prove themselves invincible rebels; they must go through ages of barrack slavery and the hell-fire of many battlefields ere they learn to set up a court of arbitration; they will submit to highway robbery on an immense scale, it if be conducted in proper Customs Houses by gold-laced officials, under the name of Protection. There is something peculiar to each, and something common to them all. Almost all countries have some natural advantages; England's were great enough to give her, for a short time, a clear primacy both in material and political evolution. But monopoly is a house built on sand; and supremacy is a mirage which may, indeed, reflect some distant goal, but makes the wilderness of here-and-now no more tolerable. Europe has spent much, perhaps most, of the wealth of its new industrial processes in obstructing the exchange of commodities, and in setting up fortresses, armies, and fleets between nation and nation. But, in spite of waste beside which the worst prodigalities of the ancient world seem mere child's play, the fertilizing stream of common labour sweeps on. Everywhere democracy gathers strength, and everywhere man's energies overflow the barriers set up by ambitious rulers and grandmotherly politicians.

The overriding fact henceforth to be borne in mind is the world-wide play of economic influences. The interest of the human drama is no longer

concentrated upon the ancient European stage. The earth is at last being opened up in earnest; and, in the first place, its outer parts become a vast agricultural *annexe* to the old countries, more and more turning themselves to manufacture. Virgin soil, virgin forest, virgin mines yield a rapid increase of the sum of available wealth. Men and manufactures are shipped outward, food and raw materials are brought back; credit is extended, interest is received. The exchange goes even further than this. In the freedom of their new homes, the colonists have the benefit of elaborate precedents in law and government, so that it is both easy and necessary to yield them full control of their own affairs; from the middle of the century, the Canadian, Australasian, and South African provinces gradually develop, through various degrees of representative government, to responsible government and confederation. The lot of India and other possessions by conquest could not be so happy; but they gain the advantages of social order, regular, honest administration, and the stimulus (not an unmitigated advantage, however) of Western capital and science. The great variety in character and resources of these widely separated communities represents, on its economic side, a division of labour akin to that of the factory system, but on a vastly larger scale. The nations of Europe are closely bound by material interests, but their condition is relatively similar; they contain each within itself a balance of in-

dustrial and agricultural elements, and are, therefore, in fact, largely independent. In the relations of Europe, and especially of England, towards the newly opened lands, there was a new degree of mutual dependence. Without emigration, there would be no colony; without a constant stream of investment and a readiness of credit such as is usual among members of a family, the Colonies could never have grown as they have done. This was, in a degree, true also of England's relations with the United States and some of the South American republics. But the Colonies—in addition to the aid of the leadership of the first commercial and parliamentary State in the world, in addition to the satisfaction of forming part of a liberal and progressive league, free to exchange the widest possible variety of products and services—have enjoyed, during their youth, practically without cost to themselves, complete protection, and immunity from the military burdens other independent nations have had to bear.

The reflex influence of the Empire upon British life has been more mixed in kind. Suffice it here to point out that it has largely determined the course of our economic development, by stimulating shipping and manufacture (especially of cheap goods), by limiting the need of home agriculture, and by creating great banking and commercial interests, and great civil, military, and naval services. Although the Colonies have been allowed to raise a large part of their revenue by means of

protective duties on British goods, the imperial connection has helped, on the whole, to keep us faithful to Free Trade, largely in consideration for our interests and duties in India.

### III. The Completion of Free Trade

Free Trade was not, and could not be, the work of a day, or of one man. When Huskisson made his first attack upon the tariff in 1824, it was said to include no less than 1500 Customs items. Little more was done until 1842. There were then 1150 items in the lists of dutiable goods; and what particularly moved Peel was the discovery that nine commodities yielded six-sevenths of the total receipts, while many of the other duties did not pay the cost of collection. Peel's working principles were to abolish all prohibitions, to reduce duties on raw materials to a nominal figure, and those on manufactures to an average of about twenty per cent. The items so dealt with in 1842 numbered 750. The result was so satisfactory that, three years later, 430 duties, chiefly on raw materials, were abolished outright, while many others were again reduced. The tax on machinery was now removed; the coal, glass, and window taxes soon followed. In 1844, for the first time for years, there was a substantial surplus. "The seeming paradox that a larger revenue might be obtained from smaller duties had turned out," as Sir Stafford Northcote said, "to be the simple

expression of an economical law which appeared capable of more extensive application than it had yet received." The repeal of the Corn Law, which became fully operative in 1849, carried the movement far forward, for it marked the definite establishment of the principle of a tariff for revenue only. It remained for William Ewart Gladstone to complete the work.

This was done by Gladstone, as Chancellor of the Exchequer successively in the Aberdeen and Palmerston Ministries, in his famous budgets of 1853 and 1860. The first did not fully embody the Free Trade doctrine, for it avowedly left finished manufactures subject to duties of about ten per cent. But 120 duties were altogether abolished, and 140 were reduced, these including tea, cocoa, raisins, butter, and cheese. The soap tax was removed, and the advertisement and newspaper stamp-duties were reduced. Had it not been for the Crimean War, which involved a direct expenditure of seventy-seven millions sterling (forty-two millions of this being added to the Debt), the task of reform would have been pursued more quickly. The budget of 1860 reduced the four hundred remaining tariff items to about fifty. Food was altogether freed, but for duties on tea, cocoa, and currants, necessary for revenue. All protective and differential imposts disappeared; and not least among the resulting benefits was that of a simple and economic Customs system.

This final change was aided and consecrated by the Commercial Treaty of 1860 with France, negotiated by Cobden. The treaty was only in form a bargain; actually, it embodied the simultaneous resolve of two sympathetic Governments to enter upon a more liberal course of policy. The new departure in France, and the visible success of British Free Trade, produced all over Europe a general approximation toward the same fiscal principles; and this tendency, and the network of "most favoured nation" treaties in which it was expressed, held till about 1876. The complete abolition of the Navigation Laws, in the foreign trade in 1849, and in the coasting trade in 1854, was also copied by Holland and other States; while the extension of tariff areas, especially those of the German Zollverein and of united Italy, represented a further stimulus to exchange. No small part of the prodigious expansion of British commerce in the 'fifties and 'sixties was due to the expansion, interrupted as it was, of the commerce of other European countries, in which the new methods of production and transport were now being rapidly introduced. French exports, for instance, rose from £90 millions in 1859 to £123 millions in 1869, and French imports from £65 to £126 millions.

Before we refer more particularly to the advance of British trade in this period, two other disturbing influences must be noted. The first arose from the discovery of gold in California in 1847 and in

Australia in 1851; the second was exhibited in the crises of 1857 and 1866.

The belief that the gold supply has been the determining cause of the extensive fluctuations of prices in the latter half of the nineteenth century has recently been subjected to a powerful challenge.[1] The question is too complex for discussion here; but it will be safe to say that the supply of gold had a relatively more considerable influence at the beginning than at the end of the period, when collective credit-trading had attained unprecedented dimensions and stability. The increase of the average annual production of gold from 1,760,500 oz. in the years 1841-50 to 6,350,180 oz. in 1851-5, even if we allow for the absorption of some part of the output in the arts, must have reflected itself to some extent in a higher price of commodities. Mr Hirst thus summarizes the relation of the two factors[2]: "Taking wholesale prices as the measure of purchasing power, we find that, up to the middle of the century, the general level of prices fell at the rate of a little over 1 per cent. a year, the world's production of gold being £5,140,000 a year. In the period from 1850 to 1873, prices rose at the rate of about ·35 per cent. a year, gold production rising to £25,000,000 a year. In the twenty years or so following 1873, gold production fell off, while the demand for it increased, owing to the adoption of the gold standard by many leading commercial

[1] *Gold, Prices, and Wages*, by J. A. Hobson, 1913.
[2] Hirst's *Porter*, pp. 54-5.

countries The annual production of the precious metals fell to £24,500,000, while prices fell away by about 1·61 per cent. a year. From 1896 to 1905, the average annual output was about £58,100,000 a year, and prices rose about 1·85 per cent. each year. . . . In the first of the periods, the worker secured only a very slight advantage by reason of the fall in prices, for the stringent Corn Law prevented the price of bread from falling with other commodities. In the second period, the gold discoveries affected prejudicially the position of the receiver of a fixed income, but the stimulus to trade and the improvements in the methods of production which were then being made caused wages to increase far more rapidly. In the third period, the wage-earner benefited from falling prices as well as from rising wages; whilst in the last decade or so, there has been a halt in conditions, owing to the upward tendency of prices at a time when wages are not rising as fast as hitherto." Since the last date referred to, 1905, there has been a further rise of prices, and an increase of gold output to about £90 millions a year.[1]

The period with which we are dealing was, then, characterized by a strong and very varied stimulation of trade, due to the improvement of its

[1] The price-standard here used is, of course, not impeccable; it does not include rent and some other important items in the normal family expenditure, and wholesale prices are not a perfect representation of retail payments. For various index-numbers, see Appendix IV.

instruments (manufacturing machinery, railways, steamships, and fuller currency), their freer operation under the new fiscal system, and the increased consuming power both at home and abroad. So great was the expansion that, despite the poor organization of labour, wages advanced; and the losses of the Crimean War and a bad harvest in 1853 were borne with comparative ease. The lessons of the past were still unlearned. Freedom is only one of the conditions of healthy activity, whether in commerce or in other walks of life; the other main condition, discipline, was nowhere met. Employers who spoke unctuously of the need of disciplining the common people recognised no need of disciplining their own greed of immediate gain. Respectable burghers, fully assured of their place in time and eternity, men and women whose virtue forbade them to bet on horses or to stake money on cards, were easily induced to gamble in stocks and shares. In America, the spirit of combat and speculation took extremer forms. It was there the reaction and panic began, in August 1857. Two months later, while the Eastern trade lay under the cloud of the China War and the Indian Mutiny, England felt this new blow. The American houses suffered first, then the banks dealing specially with the American trade (very large quantities of United States railway shares were already held in this country), and, finally, the general body of manufacturers and the commercial classes. The Bank rate having been

raised to 10 per cent. without effect, the Bank Act of 1844[1] was suspended, and an over-issue of two millions sterling allowed. Many ironworks and collieries were stopped; scores of thousands of workmen were discharged, and others were subjected to heavy reductions of wages. From England the shock passed to France, Germany, Austria, Belgium, Italy, and Scandinavia; it was even felt in China, Australia, and South America. The world-market had asserted itself.

The recovery was very slow, and it had only well begun when the American Civil War broke out. By this time, there were 2,887 cotton factories in the United Kingdom, with 30 million spindles and 400,000 power looms, employing nearly half a million hands, and consuming between 40,000 and 50,000 bales of raw cotton per week, 85 per cent. of which came from the Southern States. When the North established its blockade, this supply was decimated; and, although India gave some compensation, the total import fell in 1862 to a half, and it was not till 1866 that the former total was reached. This meant temporary ruin for Lancashire. Mills were gradually closed, or

[1] This Act had renewed the Bank charter for ten years, and continued the exclusive privilege of issuing paper money within sixty miles round London; but the ordinary banking and the note issue departments were separated, and the issue was restricted to £14 millions over the actual bullion held. No new banks could issue notes; otherwise more freedom was given to joint-stock banks. It was at this time that the great development of the use of cheques, one of the most useful of modern business devices, began.

put upon short-time; and, in December 1862, half a million persons were dependent on charity. The number was reduced to 256,000 in the following June, and to 180,000 by the end of 1863. A national subscription for relief reached the noble figure of £2,735,000; the number of paupers, out-door and indoor, in England and Wales, nevertheless rose from 884,000 in 1860 to over a million in 1864. The cotton famine was estimated to have cost Lancashire, in loss of capital and wages, about £12½ millions sterling. The operatives showed splendid courage in this desperate emergency, and no disturbance of any kind broke their stoical silence. It was at this time that the great manufacturers and merchants, organized in the Cotton Supply Association, began the search for new supplies of raw material which has never since ceased.

Years passed before the trade recovered. The war had hit it at the height of its prosperity, when much new capital—partly co-operative—was being invested. The Surat and other commoner kinds of cotton now introduced were more difficult to work; this led to a temporary reduction of the speed of machinery, and to various expedients for keeping the stuff moist during manufacture, to the grave injury of the health of the workers during the next thirty years. The latter result would, perhaps, have been even more marked, but that the cotton-mill population was considerably changed by the crisis. There were, in 1863, 34,000 fewer

operatives than in the previous year. The greater part of these had emigrated. They had to be gradually replaced, and the new hands could not be so highly skilled. Fewer children were employed henceforth; and the pressure of the factory inspectors' work was transferred from the regulation of hours to the attack upon unhealthy conditions, especially excessive dust and moisture. The expensiveness of raw material (cotton ran up from 6d. to 28d. per lb.) stimulated the construction and use of more perfect machinery, particularly for the spinning of the new and difficult fibres. Thus, the system of "ring spinning"—which eased the drag upon the yarn, and made is possible to drive the spindle at speeds (such as 13,000 revolutions a minute) impracticable with the old fliers—although invented in 1830, only now came into common use in England. Other notable inventions had been the weft-stop motion (1841), Howe's sewing-machine (1846), Holden's square-combing machine (1848), the double-acting Jacquard loom, and Donisthorpe and Lister's wool-combing machine (1849). Heilmann's cotton-combing machine, which automatically separated the long fibres necessary for fine spinning, first shown at the Exhibition of 1851, now proved of great importance.

The interactions of economic life might be almost endlessly illustrated in connection with such a crisis as that of the cotton famine. It was, for instance, a great harvest-time for the other textile

trades. Just as, during the Crimean War, jute had gained by the cutting-off of the flax supplies of the linen manufacture, so now woollen, linen, and flax benefited by the stoppage of cotton. While Lancashire hungered, the mills of Ulster did a roaring business. Australia and the Cape were just becoming our chief sources of supply for the great industries of the West Riding; South America and New Zealand were also beginning to send cargoes of wool with cargoes of frozen mutton. At the opening of the century, nine-tenths of our wool had come from the native farmer; fifty years later, two-thirds was imported. The consumption in the United Kingdom rose from 181 million lbs. in 1850 to 364 million lbs. in 1870. The export of woollen and worsted goods—which had fallen from £9·3 millions in 1815 to £5·3 millions in 1840, rose to £8·5 millions in 1850, and then sprang to £12·1 millions in 1860, and £21·6 millions in 1870. The lowering of French duties under the Treaty of 1860 was a factor in this expansion, but the American War was chiefly responsible.

The financial collapse of 1866, though the way was prepared by the cotton crisis, is rather to be attributed to the old plague of wild speculation, assisted by the unsoundness of many of the banking and financial companies created under the Limited Liability Companies Act of 1862. During the autumn of 1865, the pressure of high bank rates began to be felt. In the following spring, the failure of the Joint-Stock Discount Company and

Barned's Bank, Liverpool, started a panic. On May 9, the Bank of England put up its rate to 9 per cent.; and on the next day the great firm of Overend, Gurney, & Co., failed, with liabilities amounting to ten millions sterling. Business came to a standstill, and the rush to realise deposits threatened a still larger disaster. For the third and last time, the Bank Act was suspended, and five million pounds of uncovered notes were issued. The fever then gradually subsided.

Nothing is more characteristic of this period, or more significant of the material progress made, than that the production of coal was doubled in twenty years (56 million tons in 1850, 110 million tons in 1870). In the mind's eye, South Lancashire, West Yorkshire, South Wales, the Potteries seem to have been covered with a permanent pall of black smoke. Perfect combustion was regarded as belonging to Utopia. Gas and oil power were hardly thought of; thirty years after the first experiments in electro-magnetic and electro-static induction, electrical power was known only in the laboratory. It was the height of the Coal Age. In this later day, when four-fifths of the weight of British exports consist of coal, the importance of this outward freight to the growth of the shipping trade is well understood. Fifty years ago, the proportion of the output exported was much smaller; but it was already a material consideration to the "tramp" steamers that were beginning to dispossess the sailing ship. The development

of the iron-trade closely followed that of the coal supply. Between 1850 and 1870, the world's production of pig-iron was more than doubled, rising from five to nearly twelve million tons, of which Great Britain contributed a half, or more.

In this interval, the history of the modern steel manufacture was opened. The discovery in 1856, by Sir Henry Bessemer, of the "converter" process, by which molten iron is cleared of all carbon by a blast of air being blown through it, and sufficient carbon is then added for perfect conversion into steel, was the first chapter of this immense change. It was soon possible, by this method, to supply steel rails at lower prices than those of wrought iron, and infinitely more durable in quality. Ten years later, the Siemens brothers invented the "open-hearth" process of more complete combustion, by which varying degrees of hardness may be given to the metal. In 1879, a still more considerable advance was made by the "basic" process discovered by Snelus, and practically applied by Messrs Thomas & Gilchrist, whereby phosphorus is removed from ores that had been hitherto unusable, while the slag has a manure value.

In two directions, especially, great results rapidly followed this series of discoveries. The export of machinery and mill-work, which in 1855 but little exceeded two millions sterling in value, in 1875 passed nine millions. The amount of ship-building rose from 133,695 tons in 1850 to 342,706

tons in 1870. The construction of engines and boilers was greatly improved. Docks and harbours were extended, and many new ocean steamship lines were established, among them those of the Inman (1850), Allan (1852), Union (1853), British India (1855), Anchor (1856), Guion (1866), and British and African Companies. Hardly less marked was the improvement of railway engines, permanent way, and organization, and of city communications, exemplified in the opening of the Metropolitan Underground Railway in 1863. Rapid transit by land and sea brought ever more varied and cheaper food supplies. This commerce led in turn to the growth and better equipment of town markets, on the one hand; on the other to the invention of methods of refrigeration and cold storage, and hence to a great expansion of the fish, game, and meat trades. Kirk's process of refrigeration (1862), and the introduction of Australian tinned meat (1865), deserve mention here.

While the stimulating influence of trade upon trade, and community upon community, was receiving such illustrations as these, a host of scientific men, cheered in their laboratories by a general effusion of interest in physical investigation, were pointing the way to fresh conquests. Between the opening of the College of Chemistry in 1845 and Mendeléeff's classification of the elements according to a system of periodicity in 1869, immense progress was made both on the theoretic side and in the application of the new knowledge of the constitution of matter.

At a long interval, Faraday's discovery of benzene, in 1826, was followed by the production of aniline from coal tar, the formation of anthracene and naphthalene, and (by W. H. Perkin between 1856 and 1866) of artificial mauve and alizarin. During the 'seventies, the manufacture of aniline dyes became an important branch of industry, and—as with the Thomas-Gilchrist steel process—even more important in Germany and France than in this country. With the introduction of collodion in 1851, and still more with the introduction of the bromo-gelatine plate twenty years later, photography took its great and variously useful place among the mechanical arts. Many improvements were also made in the sulphuric acid, soda, and chemical manure manufactures centring in the malodorous vicinities of Runcorn, Widnes, St Helens, and Northwich. While some of the old metal industries stagnated or decayed, new metals, aluminium, nickel, and manganese, in particular, came into use.

England herself naturally gained the first and greatest benefit from these new activities. Industrial life was braced at every point. Vast fortunes were made, and no small part of them was spent in bettering the social amenities, public and private. Articles of food and clothing, books, pictures, furniture, that had hitherto been impossible luxuries, began to find their way into the homes of the working people. The result which alone we can exactly measure lies in the expansion of foreign

trade. Between 1850 and 1870, the exports of British produce increased in value from £71 to £199 millions. The depôt trade alone grew to be larger than our whole foreign commerce a generation before, the exports of foreign and colonial produce rising from £18 to £44 millions. Necessarily, the payment received for these exports, for shipping services, and for the ever greater volume of foreign investments, rose in proportion —from £150 to £303 millions of imports. The net tonnage of vessels registered at Lloyd's increased in the same period from 3·5 to 5·7 million tons, a half of this difference being represented by steam and a half by sailing ships. These figures, however, do poor justice to the growth of sea-traffic, because voyages and dock services were being constantly speeded-up, so that the actual amount of shipping business was multiplied nearly threefold in the twenty years.

If there had ever been, since the days of Watt and Stephenson, any doubt of England's destiny, it was now resolved. As Mr Smiles and the newspapers proudly proclaimed, she was pre-eminently the workshop of the world. But that this triumph of energy had not brought heaven down to British earth was plainly evident to any who would look around them.

## IV. Round with the Factory Inspectors

The change of heart in the latter half of the nineteenth century is evidenced in the enormous mass of information, official and voluntary, with regard to the condition of the people. Of this material, no one part, perhaps, is more valuable than the periodical reports of H.M. Inspectors of Factories (and, in the later years, of Workshops). These good men are ceaselessly spying out the land; their daily task takes them into great barracks where thousands of operatives work under a rule comparatively enlightened and humane, and into holes and corners where masters, themselves poor and ignorant, "sweat" a few unfortunate women and children. Factory legislation is to-day obeyed automatically; evasions are not common, and few prosecutions are necessary. It was not so in the beginning. The laws had passed through Parliament with difficulty; they had been opposed by men like Hume and Bright, and others bearing respected names, on the strength of a political economy carrying general assent among educated people. They had been narrowly limited in their extent; and this gave them an invidious character, for why should the large cotton factory be penalized, when the petty workshop, with its worse evils, was untouched? Heroically did the inspectors grapple with their difficult task. Sometimes they were defied, often obstructed, nearly always viewed with antipathy; but they held on, justified them-

selves in reports of thrilling interest, and won more and more power. I have said that the recovered vision of real life killed the *laisser-faire* philosophy. These men began their work, no doubt, with the average prejudice of their time against "State interference." What they saw gave a new turn to their thoughts; and two circumstances confirmed it. The first was the good employer's objection to the ways of the bad employer; the second, the operatives' discovery that they had at last obtained an impartial and a powerful friend.

A glance through the Factory Inspectors' Reports from 1850 to 1885 will give us a thousand realistic details of working-class life. We shall see, in this panorama of national industry, the domain of machinery and large capital constantly extending, the division of labour and the discovery of new processes ever advancing. Infinite pains have yet to be endured; but a hope has faintly dawned. The spirit of the industrial world is no longer one of unchallenged anarchy. The State has been brought to recognize that there is a national interest in the health of working women and children; from this point, it must go forward to the full recognition of its positive duties. But the beginning is very modest.

For seventeen years, four inspectors had been endeavouring to keep the cotton, woollen, worsted, hemp, flax, tow, linen, and silk mills of the kingdom under their eyes. Amid the rejoicing of the factory

districts, the Act of 1847 had proclaimed (as from May 1848) a ten hours' day for women and young persons. While the trade crisis lasted, there was no great objection to this limit; but, when the depression passed, employers began to introduce a system of relay working, "shuffling the hands about," says Inspector Howell, "and shifting the hours of work and of rest for different individuals throughout the day, so that you may never have one complete set of hands working together in the same room at the same time." This made the inspectorial prevention of over-working practically impossible. The system was denounced by Inspector Leonard Horner as "pernicious and unjust," "pernicious from the danger to which the morals of these persons were exposed during their hours of forced idleness, and unjust because they were paid for ten hours only while they were, in fact, at the disposal of their employers for 13½ hours." The Law Officers of the Crown declared the relay system to be illegal, but magistrates gave differing decisions. The Home Office was opposed to strong action; the inspectors were divided. At last, a test case was taken, and the system was pronounced legal. The Short Time Committees thereupon renewed their agitation; and in 1850 an Act was obtained establishing a uniform working day, that is to say, the hours of work for women and young persons must come within a twelve hours' limit—from 6 A.M. to 6 P.M., or from 7 A.M. to 7 P.M.—allowing 1½ hours for

meals, and on Saturday work must cease at 2 P.M. Although it extended the working week by two hours, this was a considerable boon. Curiously enough, however, children were still liable to employment between 5.30 A.M. and 8.30 P.M., the Act of 1847 having applied only to women and young persons; and a return obtained in July 1850 showed that, in 257 factories, 3742 children were kept at work assisting the adult men after the women and young persons had left the mills. Mr R. J. Saunders speaks of 1667 children being employed in one district from 2 P.M. to 8.30 P.M. without a stop for meals. This anomaly was rectified in 1853, when an Act, passed at the instance of Palmerston, brought children within the uniform twelve-hours day, without altering the length of their hours—6½ every day, or 10 hours on three alternate days.

Captain Kincaid gives as "a fair sample of the whole" in his district the case of a boy ten years of age in a Dundee factory who was kept "winding" for his father from 6 A.M. to 10 P.M., his weekly earnings being fourteen pence. This, of course, was illegal; evasion of the law was very common, one method being the presentation of forged age certificates. The Act of 1844 had made it possible to put down the more disgraceful attempts at defiance; but the law was very weak. "Improvement in the sanitary condition of mills can only be the subject of recommendation on the part of the inspectors. With the exception of

two clauses, one regarding lime-washing, and another for the protection of workers in wet-spinning flax-mills, the Acts contain no provision requiring a matter obviously of the greatest importance for the health of workpeople, congregated together for more than ten hours a day, and this sometimes in rooms heated to a high temperature, the air impregnated with gross impurities." Factory employment, it must be remembered, was being continually extended: in 1838, there had been 95,000, in 1850 there were 164,000 operatives. The employment of very small children had been arrested; but there were still 1550 children between eleven and thirteen years of age working a ten-hours day in silk mills alone. Full-grown women only made seven shillings a week in power-loom weaving at Glasgow, though this might rise, under strong demand for labour, to ten shillings in some factories.

In 1852, Mr Horner comments strongly on the illegal over-working of women and children, and especially "the wilful commission of the fraud by persons of large property." In Glossopdale, for instance, there had been an organised system of disobedience. He gives a vivid account of a surprise visit to a great mill employing thirteen hundred hands. The inspector was ejected violently, amid the yells of a mob of two or three hundred young people, but returned with police support. The blame for infractions of the law was usually put on subordinates. A magistrate who had recently

tried a case became in turn himself defendant. In 1853 Mr Horner complains again that the penalties are altogether inadequate. It was found that officers known in a neighbourhood could not enforce the law at all, so that strangers had to be brought in. Scouts were posted outside the factories to give timely notice of an inspector's arrival; then the door would be fastened, the engine stopped, and the gas turned low, while the workers were let out by a back way. In the case of a Mr James Greaves, of Oldham, "a gentleman standing in a high position in society," the inspectors found young persons hidden under parts of the machinery, and a woman hidden in a basket. Lord Palmerston might well believe that "bodily activity, energy, and quick-sightedness are very necessary in a detective service against habitual and unscrupulous law-breakers." Still, "something attempted, something done," justified Mr Horner in asking "the political economists who predicted the ruin of our manufactures, if the then-proposed restrictions of factory labour were adopted," to look "fairly and candidly" at the results.

One of the scandals of this period was the increase of accidents in factories due to the insufficient fencing of machinery. The Act of 1844 had required owners to fence all shafts and gearing, but allowed a reference to arbitration if the inspectors asked for other machinery to be guarded. Organized in a "Factory Law Amendment Associa-

tion," which in April 1855 became the "National Association of Factory Occupiers" (Dickens denounced it in *Household Words* as the "Association for the Mangling of Operatives"), the employers began what looked very much like an attempt to get the Factory Acts repealed, but was ostensibly a protest against the fencing provisions. On this point, they extorted in 1856 a reactionary measure which placed mill gearing on the same footing as machinery with regard to the appeal to arbitration, and required fencing only where women, young persons, and children were liable to injury. This part of the law was not strengthened until 1878, by which time hundreds of operatives had suffered serious injury.

Open defiance of the regulations as to hours grew infrequent; but petty evasion, by turning back the clock and similar devices, continued. In 1857, Mr Howell reported "gross and general violation of the law in the factories at Hyde, near Manchester." In fact, the fines were so small as not to weigh against the profits of overwork. "The defects of the law," Mr Horner repeated in the following year, "throw such obstacles in the way of detection and conviction as to render the inspectors nearly powerless." In 1860, there was an organized immigration of young workers from the rural districts into Lancashire. But, generally, the employment of small children was being restricted in the more highly developed industries; and the Cotton Famine of 1861-2

facilitated the whole work of the inspectors. Other results of the American War were less favourable. While scores of thousands of operatives were unemployed, every one was surprised to hear of a general improvement of health, and especially a marked fall in the infant mortality. Afterwards, with the introduction of Eastern short-fibre cottons, and of the practice of heavy sizing, a deplorable increase of mill ailments, due to dust and heat, was reported. As a rule, the inspectors lauded the half-time system, without which children of the factory class would have had little chance of getting any education whatever. But the following description of the lot of the Belfast half-timers, in 1863, puts the matter in another light: "Living, some of them, maybe, close to, but many a few hundred yards away from the mill, they must rise during all states of weather, both winter and summer, at 5.45 A.M. at the latest, to be at the mill and at work by 6. They then work from 6 to breakfast-time (8), go home to breakfast, return at 8.45, and work till 12 in a moist and heated atmosphere, with the thermometer often at 84° Fahrenheit, and with the spindles revolving at the rate of four to five thousand times a minute. At 12, they are permitted to leave the mill, go home, 'take a piece,' *i.e.* a morsel of treacle and bread, or dry bread in their hands, eating it as they go, and hurry to school, where they remain till 3. They then go home to dinner, *i.e.* to potatoes and buttermilk when they can get it, often prepared

for them by a child younger than themselves because the mother is working in the factory, or dry bread again; the day ending with another meal of thin coffee, or red herring, as their circumstances will permit."

It had been commonly supposed up to this time that there was something peculiarly evil in textile factory employment that called for interference, at least for the protection of women and children. The fact is that the textile industries were first regulated because their size and concentration made the police process relatively easy. Of the conditions in scores of other manufactures comparatively little was known until, the success of this experiment fairly proved, the inspectors began to look round for new lands to conquer. The extension of the Acts to one business after another was to be a slow and difficult task; but it was supported by the gathering evidence of the Registrar-General's Reports, and of voluntary inquiry, that overwork, bad sanitation, and a shocking infant mortality prevailed not in one direction only, but throughout industrial Britain. Every step taken made the next step easier, not only because experience removed fears and showed the line of practicable advance, but because, the larger the number of businesses under the law, the nearer was the approach to equal justice. Most influential of all, however, was the discovery—anticipated in Macaulay's speech of 1848, but still vastly surprising to almost every employer—that

shorter hours do not necessarily mean a smaller, and may mean a larger, output. In the more highly developed machine trades, this conclusion was reinforced by the realization that the constant improvement of machinery demanded an increasing skill and vitality on the part of the operatives. In trades peculiarly subject to irregularity, again, it was found that, extra pay notwithstanding, overpressure produced much spoiled work, while the intervals of underpressure represented a serious loss of time. Such irregularity was usually the result of fear of competition ; and the good employer was now glad that an external agency should help to establish a healthier system.

The calico print-works are a case in point. All that Lord Ashley could get, in the Print Works Act of 1845, was the prohibition of the employment of children under eight years old, and of night work in the case of children under thirteen and women, while children under thirteen were to attend school on thirty days in each half-year. Bleach and dye works were exempted from this Act precisely because irregularity was supposed there to be unavoidable. In subsequent years, several inquiries were held, with the result of showing that boys of twelve often worked all night, and girls for fifteen and sixteen hours for months at a time, sometimes for eighteen hours a day, in over-heated air. At length, in 1860, bleach and dye works (except open-air bleaching) were placed under the Factory Acts ; and the

debates in the Commons were marked by a plain confession by Mr Roebuck and Sir James Graham of the mistakes they had formerly made in opposing factory legislation. After yet another inquiry, the various Acts relating to print works and bleach and dye works were consolidated, in 1870, some special allowance being still made, however, for overtime.

Another piece of special legislation—the Lace Works Act of 1861—touched the margin of a yet larger and more difficult problem, that of home work. Some hand-machines were still used in private houses, a survival which, it was thought, might be ignored, provided that factory conditions were not made too rigorous. Moreover, some parts of the factory work subsidiary to the power-machine —the winding of the bobbins, and the dressing and finishing of lace—might easily be transferred to the neighbouring cottages if the limit of the hours of children and women in the mills were made too narrow. It is by the answer to argumentative dilemmas like these that we can test the spirit of a period. Twenty years earlier they would have been fatal; now they only weakened somewhat the introduction of Factory Act conditions in the lace trade.

The Factory Acts Extension Act of 1864 discovered many compromises, some curious, some merely squalid, between factory and home industry, power and hand labour. Many cottage silk-weavers in the Coventry district depended upon

the toil of little boys, who turned the machines from morn to night. In the Potteries, it was found that many operatives, working independently, contracted to make articles at a certain price, and hired their own assistants, while the master found the shop and the material. Everywhere, machinery tended to produce a regularity of work; without it, there would be great fluctuations both in orders and in the hours of work. At this time, steam-power was rarely used in earthenware factories, the wheels being worked "either by the hand or foot of a boy or a female. . . . A boy sits in a sort of hole, or stands, to turn the throwing wheel upon which the potter forms the ware, or a woman stands at the potter's wheel and turns it. Again, a woman stands upon a treddle, and, by constantly jumping, gives motion to the machine at which the turner finishes the ware after it has been partially dried." "Wedging"—driving the air out of clay—was more laborious still. "While the man smoked his pipe at his ease, the child was hard at work, and the length of the child's working day was much beyond that of the man." Both the wedging and "batting"—the shaping process—could be, and occasionally were, done by machinery; but, in a community on which the servile labour of women and small children had been imposed as a necessity, what would you have? In the "stoves," where the articles are dried, there was the further evil of a hot, dust-laden air.

The Census of 1861 showed that there were 27,431 workers in the Staffordshire Potteries (17,356 males and 10,075 females). Of these, nearly six thousand were under ten years of age, and nearly five hundred were actually only five years old. Of the "Five Towns," Longton was reputedly worse than Hanley, Burslem, Stoke, or Tunstall, "whether for its uncleanly conditions, the want of ventilation in its workshops, or as being the most backward in general intelligence." There was, said Inspector Baker, "no doubt about the potters being physically a stunted race." The children looked pinched and sallow. Hours of work were very irregular, owing to fluctuation of orders and the dissipation of heads of departments. In a trade where one process is closely linked to another, disorganization or irregularity in one part affects many consecutive workers. The first attempt in the name of the State to bring order and decency into this chaos revealed many unhealthy conditions. In the slip-making rooms, damp and steam caused a liability to asthma and bronchitis. The flat-pressers, jigger-turners (the jigger is the potter's wheel), and mould-runners suffered from heat and dust. It was found that, in 1864, 70 per cent. of the deaths of flat-pressers in Longton, Fenton, Hanley, Stoke, and Shelton, were due to phthisis and diseases of the chest. The heat also led to over-drinking. Dr Arlidge, whose researches into the causation of industrial disease afterwards became famous, was

at this time senior physician of the North Staffordshire Hospital. His early conclusions as to the excessive mortality among the potters had been disputed; but they were abundantly confirmed by the investigations of the Factory inspectors. The ravages of lead-glaze poison were beyond doubt. "Among the patients of the North Staffordshire Infirmary, the blue-line indication is so common as almost to cease to be remarkable." Most of the hands thus subject to colic and paralysis were adult men, who were altogether unprotected by the law, save that they were forbidden to eat in the workrooms.

While men, women, and children thus suffered from crowding, hot and vitiated air, overwork, insufficient and irregular food, the destruction of home life was measured by an appalling infant mortality. The inspectors' reports teem with denunciation of cheap narcotics. They plead for modest reforms which have been generally secured only in recent years, and pray for "the advent of that time when life will be of more value in the consideration of commercial economy than it now appears to be." News-rooms were commended by a Mayor of Stockport on the ground that, till their wives were able to stay at home, husbands could not find any comfort there. The moral condition of the Potteries was rather that of neglect and squalor than of vice. Prostitution was uncommon; but there was much drunkenness, recklessness, and ignorance. Ninety per cent. of

the children never went to school, and knew little of discipline, instruction, or home comfort. "It appears to me," says Mr Baker, "that the Potteries have been but another unit in the mischief which arises out of the absorption of all the labourers' time in the production of that wealth by which we are to become commercially great at the cost of nearly every religious, moral, and intellectual obligation." When the inspectors began in 1864-5 to introduce the half-time education system, all the prejudices and objections, now dead in the textile districts, had to be fought over again, and with them a good deal of parental apathy and greed. When, in 1864, Mrs Adam Clarke started her "nursery schools" in Longton, she found all her experience at fault "in face of the heathen ignorance of the parents, the utter absence of all knowledge of household duties and management among the women, and the appalling neglect and suffering among the infants and very young children." It is a state of society not inaptly compared by one of the inspectors to "a locomotive engine, with steam up, that has been started by the hand of mischief, without a driver, and runs away, knocking aside all the minor obstacles it meets with, and, if not self-overthrown, stopping only when either its fuel or its water is exhausted."

So rose the protest of humanity against the wild riot of *laisser-faire* industrialism. When the half-time provision first brought the children of the Potteries into school, it was found that half

of them knew no more than the alphabet, and 94 per cent. were in a condition of general ignorance. At last, in a small way, the schoolmaster was at work. The large employer became a real captain of industry, for the Act gave him power to impose, with the approval of the Home Office, rules of ventilation and cleanliness upon operatives, many of whom were themselves petty employers. Gradually, machinery was introduced in place of child labour; improved "stoves" and "power jiggers" came into use. Employers were surprised at the increase of efficiency in their hands; and by the end of 1865, the inspectors could record this vindication of the Act:

"It has white-washed and cleansed upwards of 200 workshops after a period of abstinence from any such cleaning in many cases of twenty years, and in some entirely, in which were employed 27,878 artizans, hitherto breathing, through protracted days and often nights of labour, a mephitic atmosphere, and which rendered an otherwise comparatively innocuous occupation pregnant with disease and death. It has greatly multiplied the means of ventilation, and has even considerably reduced the temperature of the stoves themselves, with a considerable saving of fuel and with a readier effect on the ware. It has limited the hours of female, adolescent, and infant labour by a very considerable percentage over the ordinary and extraordinary hours of labour of preceding times without diminishing production, and with but a small temporary diminution of the rate of wages. It has safely and usefully placed upwards of 1600 children, most of them never at a day-school before, in some of the best schools in the kingdom, with

a moral and intellectual benefit of which we cannot estimate the value; and it is reducing gradually by the gentlest measures the insubordination of uncontrolled power to the discipline of obedience. In the homes of the people, too, there are higher perceptions forming; ideas of domestic enjoyments and of the social relations of life. Can there be greater encouragement than these results show to induce the legislature to carry the same work into other trades in districts where it is even still more requisite?"

## CHAPTER VII

### THE LIBERAL STATE. (1867–1885)

### I. Toward Democracy

The Englishman's nature is to do first, to think afterwards; and he is generally surer of what he has done than of what he has thought. We are not an intellectually speculative race. The scorn of theory is written all over our political history. "Give me facts, feed me on facts," is a genuine cry of the national heart. There have been exceptions. In earlier chapters I have spoken of the vogue of the twin doctrines of Surplus Population and *Laisser Faire*; but even there the real force lay in the facts behind the doctrine. The dominant feature of British public life has been the growth not of philosophic schools, but of political parties and social expedients. We have had no Rousseau or Condorcet, no Marx, no List, no Henry George, no Tolstoy. Our parties express a difference of temper and interest rather than of principle —hence their loose governance and frequent transformation. Simple, clear-cut dogma is not favoured by this moist, mild climate. The business of public life goes on amid a welter of apparently

incompatible ideas—very old ideas perpetually modified—of which now one, now another, is seized upon in a frankly utilitarian spirit. Many of them have been dragged into politics from the spheres of morals and science. Godwin's extraordinary faith in the rapid perfectibility of ordinary men had a powerful effect in the last years of the eighteenth century, left strong traces in the minds of the Radicals of the next generation, and then disappeared. The rise of chemistry and physics strongly affected political life. Opposite deductions were confidently drawn from Darwinian biology—the principle of universal strife, and that of a social organism. Orthodox Nonconformity, Unitarianism, Positivism, and Secularism have at times been important factors in political development. This confusion of influences is not to be explained as an intellectual process, but rather as a reflection of the changing circumstances of society. It is those circumstances with which we are here concerned; but, by a reversal of the method of the political theorist, we may again, in passing, use the process of thought to throw light upon the process of fact—remembering that the latter is the substantial reality, and guarding ourselves from the folly of taking names at their face value.

These names, "Liberal" and "Liberalism," "Conservative" and "Conservatism," which now came into prominence, and appeared to divide the nation into nearly equal halves, have a meaning wider than that attributed to them by partisan

expositors. They represent something more than a superficial difference; but they rise out of the same national character. The Victorian humourist stated only a partial truth when he spoke of every English child being born "either a little Liberal, or else a little Conservative." Normal Englishmen are both Liberal and Conservative, with a bias in the one direction or the other according to their age, or the subject in hand, or the exigencies of the moment. This Liberal-Conservative temper is probably very ancient; but it had often been submerged by civil war, and other crucial events which re-arrayed the nation into camps bitterly hostile. In particular, it had been submerged by the struggles and sufferings of the period of the Great War and the Corn Laws. Now it was restored, and something more than restored, for there was, for the first time in British history, a general and marked emphasis upon the Liberal idea. Conservatism was there, as it always will be in British life, holding wide tracts of power by privilege and talent. But, from 1867 to 1885, an energy, which we may broadly call Liberal, in literature and speculation, outweighed the Conservatism prevalent in religion as clearly as Gladstone outweighed Disraeli at Westminster. All extremes were discredited—Chartism was as dead as the Duke of Wellington. From the Court to the poorest of the new constituencies, there radiated a genial confidence in the profit of throwing the bounds of freedom wider yet.

Many factors contributed to this milder temper. Some were personal: Gladstone himself, although he seemed to march from battle to battle with the flashing eye of one of his dear Trojan chiefs, was a most powerful contributor to the social truce, for millions of common citizens, seeing political genius of the first order at length enlisted in their behalf, learned a new patience, and the Commons House became a real forum of the nation. Gladstone, too, like Mill, had the faculty, rarer then than now, of growing with the times; and it was not till his death that the nakedness of the old Liberalism became plainly visible. But the most important factor of the Liberal temper of the 'sixties and the 'seventies was the continuance of material prosperity. The population of the United Kingdom increased between 1861 and 1881 by nearly five millions (despite a decrease of a million in Ireland); yet work was abundant and regular, and wages are estimated to have risen in this period by no less than 30 per cent. What better proofs could be desired of the validity of Liberalism?

In its history, we find two elements, not always easy to reconcile—the one (inspired mainly by the English, American, and French Revolutions), belief in popular sovereignty; the other (expressed more confidently by the great Liberal thinkers), belief in the unfettered individual. The latter was certainly the more influential, because it appealed direct to the everyday self-interest of the most virile in the community. A few Con-

servatives approached the advocates of popular sovereignty—for instance, as we have seen, in the agitation for the Factory Acts—not because they accepted the secular argument, but because their religious feelings drove them to a sacrifice for the welfare of the masses. But the main body of Conservatives touched hands with the main body of Liberal individualists. This is only another way of saying that interest is stronger than theory.

The liberationist movement of the Radical individualists had been an enormous success. The destruction of the Protective tariff, the Navigation Acts, the whole system of bounties and export duties, had, just in time, cleared the way for a marvellous expansion of foreign trade. The manufacturer felt the stimulus in the shape of cheaper raw material and an ever-widening market; the people at large in cheaper food and better wages. The abolition of the magisterial assessment of wages, the rule of apprenticeship, and other internal restrictions, had helped the employing class. The removal of obstacles to migration and emigration helped everybody. The stoppage of rural doles, a drastic piece of social surgery, though insufficient and too late for a permanent cure, had brought some health back into rural life. The reforms of 1834 did not produce popular sovereignty, but they were a long step in that direction; and the deposition of the old oligarchy in Parliament, the boroughs, and the country bench, everywhere

encouraged fruitful effort. The terrors of the Church were fading away; it had no longer a monopoly even of the rites of marriage and burial. The law was softened, and its administration purified. Royalty no longer meant licence—the Court of the widowed Queen mildly reflected the Liberalism of its Ministers, preachers, and poets. Publication, meeting, industrial combination, if not completely free, were not arbitrarily forbidden. The opportunities of education and healthy life were slowly increasing. Finally, the British State owed no small part of its prestige abroad to its avowed sympathy with movements of liberation in Europe, and its exemplary relations with its colonies. There was gain here beyond weight and measure; there was enough that could be most satisfactorily counted in pounds, shillings, and pence. The Liberal idea marched triumphantly on.

Gladstone's Reform Bill having been defeated, in June 1866, by a combination of Conservatives, and Palmerstonian "Adullamites," the third Derby-Disraeli Ministry came into power. A whole generation had grown up under the middle-class system of 1832, and demonstrations in the country made it clear that fundamental change could no longer be postponed, with whatever gloomy forebodings the future Lord Salisbury might be filled. Disraeli's greatest measure, the Household Suffrage Act of 1867, with supplementary Acts of the following year, enfranchised all householders paying poor-rate in English and Scotch burghs (in Ireland,

only those with a £4 rating qualification); lodgers paying £10 a year rent, and holding their tenancy for a year; and county occupiers paying £12 rent. Some small boroughs lost their representation, and none with less than 10,000 inhabitants retained more than one member, the seats so freed being given to the larger counties and towns. In 1871, a change hotly demanded for half-a-century, and hardly less important than the franchise itself —the secret ballot—was reluctantly accepted by the Peers. An evident act of justice remained to be done ere the British polity could be said to rest on a democratic foundation (not one person in a thousand yet thought of enfranchising women). It was only in 1885, the last year of the second Gladstone Ministry, that the agricultural labourer became, in the full modern sense, a citizen. The county franchise was then assimilated to that of the towns, several new forms of qualification being introduced. At the same time, an important redistribution of seats was effected, boroughs with less than 15,000 inhabitants being deprived of special representation, those under 50,000 having only one Member, and other electoral districts being equalized. London (with 62 members), Liverpool, and Manchester-Salford (with 9 each), other cities, and the manufacturing districts generally, could now speak in proportion to their real strength in the State. Although property retained some privileges at the polls, the Conservative leaders declared that Mr Gladstone had "shot

Niagara," and feared the worst for their own party. But Britain continues to be Liberal-Conservative; and, in fact, Conservative Governments have been in power for rather more than half the period since Parliament was democratized. We shall see that economic conditions have counted largely, though most often indirectly, in this result.

The reform of 1867 led to a series of social changes of which the most far-reaching was the establishment, under W. E. Forster's Elementary Education Act of 1870, alongside the old denominational system, of elective School Boards having power to build and maintain schools out of a local rate, and to require the attendance of children between five and thirteen years of age (raised later to fourteen), dogmatic religious teaching being excluded. School Boards were established in Scotland in 1872, when compulsory attendance was introduced. Universal direct compulsion was only adopted afterwards in England, under the Acts of 1875 and 1880. In 1891, fees in State elementary day-schools were abolished by the Salisbury Government; in 1896, Mr Balfour enabled the Education Department to make grants to voluntary (that is, denominational) schools when a certain standard of efficiency was reached; and in 1902 the local control of State-aided education was transferred to the County Councils, committees of which superseded the specially elected School Boards. Board schools have been the object of much scoffing; for long their beneficent work was obscured

by the dust of sectarian controversy; even now, they are the schools only of the working and lower-middle classes. There is, nevertheless, no institution to which the country owes so much, none that can claim a larger share in the honourable advances of the last generation. Unhappily, the scholars' leaving age is still lamentably low; a small minority only are enabled to pass on to a course of secondary or technical instruction, and fewer still to the university. The broad result of the Education Acts may be thus stated: In 1869 there were rather more than a million children in attendance at about 17,000 elementary day- and night-schools. There are now over six million children on the registers of 35,000 schools; and the money raised for education has gradually risen to £20,140,000 in 1902, and to £35,800,000 in 1912—£19,200,000 of the latter sum consisting of Exchequer grants, and £16,600,000 being raised by local authorities. It is at least probable that the quality of the care and instruction given has risen proportionately with the quantity. The factory inspectors reported in 1866 that half the population of Belfast could not read a letter, and that among applicants for factory employment those unable to read were 25 per cent. in the West of England woollen trade, 29 per cent. in the silk trade, 34 per cent. in the cotton districts, and 66 per cent in the Potteries. Male illiteracy in England and Wales fell from 19·4 in 1870 to 1·4 per cent. in 1907. Of the progress in higher

education, we can do no more than name the following landmarks: the Public Schools Act of 1868 and the Endowed Schools Act of 1869, which led to wide reforms; the establishment of the nucleus of Girton College in 1869, of Newnham in 1871, and of the Girls' Public Day School Company in 1873, when, also, the University Extension movement was founded; the "whisky money" grant for technical education in 1889; the incorporation of three Welsh colleges as the University of Wales in 1893, followed by the establishment of Manchester, Birmingham, Liverpool, and other provincial universities; and the foundation of the Workers' Educational Association in 1903.

Postponing to our next section consideration of the Act of 1871 fully legalizing trade unions, we find that four groups of legislative measures bearing directly upon industrial conditions belong to the period with which we are dealing: (1) the Factory and Workshops Acts of 1867, 1871, 1874, and 1878; (2) the Public Health and Dwellings Acts, 1875; (3) the Merchant Shipping Acts of 1873, 1875, 1876, and 1880; and (4) the Employers' Liability Act, 1880.

It is significant that the first two Reform Bills were both followed by important measures extending public control over the conditions of associated labour. This extension was, indeed, required as much by the working-out of the Industrial Revolution in ever wider circles, as by the increasing sensitiveness of the public mind to the consequences

of neglect. We have seen that the reports of the Children's Employment Commission of 1862-7 first showed the barbarity common in workshop and home employment, and that the Act of 1864, introducing regulation into the pottery, lucifer-match, percussion-cap and cartridge, paper-staining, certain branches of the bleaching and dyeing, and the fustian-cutting, trades, was the first measure of the kind including a domestic industry. The Commission had shown that in many other directions—from the comparatively small scandal of the straw-plaiting "schools," where mere infants were crowded together at their premature toil, to the ancient hosiery trade, the hardware manufacture (in which Birmingham alone had two thousand children under ten years of age at work), and the range of clothing industries, occupying three-quarters of a million people, few of them yet protected—there was crying need of interference. In some cases, the cruelty thus revealed was found to be as extreme as, and in mass it was very much more extensive than, that which had given rise to the first Factory Acts in the early years of the century. Victorian optimism could not long bear this spectacle. Prosperity had helped to dissolve both extremes of political creed—Chartism at one end, but, no less surely, *Laisser-faire* at the other. There was to be in the next decade a curious reaction against special interference with women's labour, on the fanciful ground that it gave another artificial advantage to the male sex. Generally, individual-

ism was beginning to fall back on the defensive. The success of the Acts, and the flagrant evils still existing unchecked, equally justified a further advance, said Mr Walpole, in introducing the twin measures of 1867. "We may even act, I will not say upon a new principle, but upon one that before the present occasion has never received full recognition." Objection might be made to interference with home and parental rights; but, where natural duties were neglected, the State must become the "parent of the country." It was, however, business sense and common humanity rather than any high principle that smoothed the way in Parliament.

The Factory Act of 1867 brought under regulation blast-furnaces, copper mills, iron and steel mills, forges and foundries, metal, machinery, and gutta-percha factories; paper, glass, tobacco, printing, and bookbinding works; and, finally, any premises where fifty or more persons were employed in a manufacturing process. The special provision for dangerous trades, first made in 1864, was extended in the case of the glass and metal trades; on the other hand, there was a deplorable number of exemptions and modifications. The accompanying Workshops Regulation Act applied to every place where fewer than fifty persons were engaged in a manufacturing process (except such as already came under the Factory Acts). All home industries were thus embraced, except as regards out-workers. No child was to be employed under eight years of

age; till thirteen, children could only be employed on the half-time system; young persons and women were limited to a twelve-hours day (less $1\frac{1}{2}$ hours for meals), which, however, might vary between 5 A.M. and 9 P.M.—a proviso making control very difficult. Worse still, as it proved, the local sanitary authorities were entrusted with the administration of the Act. With a few bright exceptions, this expedient completely failed. If the factory inspectors were unequal to so great an addition to their duties, the local sanitary authorities were unwilling to assume the task, even when they had the means of doing so. In 1871 the general, and in 1878 the sanitary, supervision of workshops was transferred to the factory inspectors, who thus found themselves responsible for 110,000 manufacturing establishments, instead of about a third of that number. Although a new class of junior inspectors was created, the staff was still very inadequate; and for many years its work suffered, in spite of the personal devotion this service has always evoked. In 1875, Mr (afterwards Lord) Cross's Textile Factory Act reduced the hours of labour from 60 to 57 a week, and raised the beginning age to 10; but it ignored the growing evil of dust, moisture, and over-heating revealed in the official inquiry conducted two years before by Dr Bridges and Mr Holmes. A consolidation of the law was now much needed; and this was accomplished, after inquiry by a Royal Commission, in 1878. The working week for children in textile

factories was limited to 56½, in non-textile factories to 60 hours, employment under 10 years of age being forbidden. The then prevalent depression of trade probably accounts for the retrogression marked in the clauses dealing with women's and domestic workshops (leaving women's hours unregulated), and for the agitation, supported in Parliament, to get adult women exempted altogether. Incidentally, the Consolidation Act forbade the employment of children and young persons in certain dangerous branches of the white lead and other trades, and provided that fines for neglect to fence machinery might go to those injured or their families. Its chief weakness was not remedied until after the famous inquiry into the "Sweating System" in 1889.

No grievances of this time appealed more strongly to humane men than those of "Poor Jack," as depicted by Samuel Plimsoll, M.P. for Derby. When he began his crusade against the "coffin-ship" and its owners, the mercantile marine was subject to hardly any supervision, and the temptation to unscrupulous adventure was at its height. The iron steamship represented an immense economy in transport; and trade was increasing beyond the power of shipbuilding. The result combined the evils of the decay of one industry—the old sailing-ship—and of the too-rapid exploitation of a new one, the cargo steamer. New vessels were turned out with an unheard-of speed, and sent to sea without any proper tests; while the

owners of the old sailing craft endeavoured to hold their own by over-loading and under-manning, sometimes deliberately sending them to a doom inevitable, for the sake of the insurance money. Plimsoll found that, in six years, over six thousand coasting vessels had been wrecked, and many thousands of lives needlessly sacrificed. His chief aims in Parliament were to obtain a compulsory survey of all unclassed ships, a maximum load-line, and a test of the quality of iron to be used in ship-building, and to abolish deck-loading, except under special limitation, and the practice of carrying grain cargoes in bulk. Inadequate powers of control were given to the Board of Trade in 1871, and somewhat extended in 1873, Plimsoll all the while urging a larger effort. After a Royal Commission, set up at his instance, had reported, Plimsoll introduced, in February 1875, a Bill which was abandoned six months later, because Disraeli would give no further facilities. A dramatic scene in the House followed, and Plimsoll, declaring that he would "unmask" certain "villains" sitting there, was suspended. Great feeling was now manifested in the country; and in the autumn the Government passed a temporary Act which was strengthened in the following year. The Merchant Shipping Acts of 1875 and 1876 established a load-line, a limitation of deck cargoes, and penalties for sending out unseaworthy ships. In 1880, the special dangers of the grain-carrying trade were dealt with, and Mr Burt carried a measure

containing much-needed safeguards in regard to the payment of seamen's wages, and abolishing imprisonment for breach of civil contract, to which sailors alone were then liable.

Plimsoll claimed that, under the Acts with which his name will always be associated, five hundred vessels, "every one as rotten as a pear," were broken up, and that, between 1876 and 1883, "no less than 832 ships were stopped when about to sail, were repaired, or had their loads greatly reduced." Although "crimping" has been practically extinguished, and food and wages have improved, there is still much hardship in the merchant marine; and it required a "Titanic" disaster to demonstrate the need of adequate life-saving appliances on the great passenger ships now afloat. But greed no longer dominates this splendid and most typical national service; and the Board of Trade on the one hand, Lloyd's Registry, the British Corporation of Shipping, and other surveying authorities on the other, are able to secure seaworthiness without seriously impeding business or the progress of invention.

Another industrial reform, granted more grudgingly than those just named, was embodied in the Employers' Liability Act, 1880. Men and women more fortunately situated have some difficulty in realizing that masses of their fellows of the labouring order are placed by the conditions of their work in constant danger of injury. This is peculiarly a penalty of machine industrialism; it has, in the

past century, involved immeasurable suffering; and, of all the great evils of the time, it is, perhaps, the one that has been most tardily and feebly dealt with. "It appears in evidence," said the Factory Commissioners of 1833, "that cases frequently occur in which the workpeople are abandoned from the moment an accident occurs, their wages are stopped, no medical assistance is provided, and, whatever the extent of the injury, no compensation is afforded." Four years later, a judicial decision (in Priestley *v.* Fowler) greatly worsened the situation of the English workman—Scotland only received the doctrine of "common employment" thirty years afterwards. The common law had made persons liable not only for the consequences of their own neglect, but for that of their servants when acting in the regular course of their employment. An exception was now introduced: the employer was no longer liable to one servant for injury due to the neglect of another servant employed with him. For instance, a passenger injured in a railway accident due to a signalman's error could claim compensation from the company; a driver or guard could not.

Having no financial liability, employers were under the temptation of neglecting precautions, and of ignoring the complaints and lurid instances which are a constant feature in the reports of the factory inspectors. Nothing at all was done to remedy this evil till 1844, when a general order was enacted for the fencing of shafts

in textile mills. As the speeding-up of machinery proceeded, accidents became more numerous. Although there were few mills that could not be fenced for a ten-pound note, the Lancashire employers successfully withstood Palmerston's gentle attempt to curb them. In his report for 1860, Inspector Baker gave figures showing that one accident occurred for every 261 operatives in cotton mills, every 348 in woollen, 389 in flax, and 424 in worsted factories. In 1865 he remarked: "The total loss of life by belts and shafts in the workshops of the United Kingdom annually must be something fearful to contemplate." As workshops were still uninspected, this opinion could neither be proved nor disproved. It was then supposed that textile mills were peculiarly dangerous; but, as the area of regulation was extended to cover machine and engineers' shops, iron mills, shipbuilding yards, foundries, quarries, and all manner of workshop, this comparatively hopeful view was destroyed; and the inspectors concluded that the only remedy lay in enabling the victims of accident to take inexpensive actions for compensation. In 1876, one of the inspectors noted that there was no power to inspect boilers or to interfere with their position or construction, adding: "We fine a man heavily for employing females and children a few minutes' overtime; yet we allow him to blow up the same persons with impunity so far as the law is concerned." This was no idle turn of speech: in the preceding

four years, 261 factory boiler explosions had been reported, 308 persons being killed, and 535 injured. Children were still not forbidden to clean machinery in motion; and in one district these three cases occurred in as many days: A boy of 10 had his right thumb crushed in the tappet-wheels of a loom; a boy aged 11 had his arm fractured by being jammed between the tin rollers of a throstle-frame; a girl of 10 had three fingers severely injured in taking paper from beneath a paper cutter.

Such were the conditions against which the Employers' Liability Act of 1880, establishing the responsibility of the employer to compensate workmen injured in course of their occupation, was directed. A judicial decision again weakened the law, by permitting "contracting out," under arrangements by which both masters and men contributed to an insurance fund wherefrom compensation was paid. Accidents continued, even such familiar ones as the "flying shuttle": "It appears to have been assumed that it was only natural for shuttles to fly from looms, and that an accident from such a cause was a part of the routine of work in a factory." But a stimulus had been given to the invention of guards for machinery, as well as to greater precaution and better organization in work-places. Although progress has been made, as there are still 15,000 fatal accidents yearly in the United Kingdom it may be presumed that there is still room for improvement.

To these major achievements of the period might be added a minor list which would include the disestablishment of the Irish Church (1869); the State purchase of the telegraphs (1870); the proclamation of four days yearly as Bank holidays; the abolition of purchase in the army (a step constitutionally important, as a decisive Ministerial use of the royal prerogative); the formation of the Local Government Board (1871); the Friendly Societies Act (1874); the Married Women's Property Act (1882); and the appointment, in the same year, of the first working-man factory inspector, Mr J. D. Prior, General Secretary of the Amalgamated Carpenters. We must now turn to the development of labour combination, in its relation to the Liberal State on the one hand, and to the essential economic conditions on the other.

## II. The Trade-Union Compromise

The inequalities of temperament and experience which throw off from the watershed of upper- and middle-class life currents of Conservative and Liberal opinion have produced, and will probably continue to produce, a somewhat similar division in the world of labour. It is a division more difficult to describe, because, among the masses of the people, condition and temperament are more various, yet less readily find expression. In neither class is it merely a distinction of relative wealth, for extremes very commonly meet in the

polling-booth. But as it was in Chartist times, so it is now: there is a clear conservatism in the old skilled trades, and as clear a tendency to revolutionary ebullitions among the unskilled and unorganized, or newly organized. The agricultural labourer can hardly be called the exception that proves the rule, because he stands in a category apart. In dealing with this division of working-class opinion, which came to open feud in the 'eighties, Mr and Mrs Webb, in their *History of Trade Unionism*, still the authoritative work on the subject, scarcely do full justice, perhaps, to the orthodox side, to Wm. Allen of the Engineers, Applegarth of the Carpenters, Guile, Odger, Coulson, and other men who built up the older unions and the Trades Union Congress. It is true that they accepted, for the most part, the Radical individualism of Bright and Cobden, and the somewhat broader Liberalism of Gladstone, abandoning the aim of a standard of life and an independent Labour movement as a means of obtaining it. That later years brought new needs and possibilities, and therewith a new type of leader, is only to say that these men were subject to the lot of mortals. But it may be held that the work that they did was essential, and could not have been done otherwise.

The problem as it stood from 1850 to 1875 was radically different from that of the following period. The appeal to ancient law and custom for the fixing of wages, limitation of apprentices, and

other boons, was dead and forgotten. Attempts at a spontaneous rising, to culminate in a general strike, were thoroughly discredited. Common-sense indicated a third way—to create a new law and custom, and, to that end, gradually to mobilize the whole working-class in trade regiments, each with its sound budget and expert staff. The unthinking many would simply rejoice to get out of the "hungry 'forties"; to the thinking few, the disappearance of Chartism was the overshadowing fact. It had failed—and, in the end, failed ludicrously—for lack of sober leadership, a sober aim, and sober organization. Having these three requisites, the Anti-Corn Law League had brilliantly succeeded; and we have seen that political realism had many more rewards to offer its devotees. For the future of any kind of Labour movement, moreover, "old" or "new," realist or idealist, Church or Chapel, as it were, in quality, three great steps must be won: Parliament must be opened to the people; schools must be opened for the people; and trade unionism must be relieved of the remaining legal obstacles that hampered it. The "alliance" by which these great boons were obtained, and with them a series of Factory and Workshops, Health and Dwellings, Merchant Shipping and Employers' Liability Acts, can at the time have seemed deplorable only to a few doctrinaire extremists. It was not romantic, but it rested upon hard, unselfish effort, and a shrewd view both of human nature and the order

of progress. It was a compromise, and so a solvent of prejudice. What it won lasted, because it was not merely the reward of force. It failed at last, not because it had always been a mistake, but because certain factors which it had been possible to ignore at length demanded attention, and it found no way of meeting them. Then a period was closed, perhaps the most fruitful in British history.

Every trade creates a variety of character. By a natural selection, the pioneers in the task of labour organization were skilled engineers and builders, who at the outset were thinking only of making order in their own ranks. The Amalgamated Society of Engineers, founded in 1850, was a combination of seven smaller bodies of engineers, machinists, millwrights, smiths, and pattern-makers, tired of the waste and ineffectiveness of retail action. Their basis and rules were most carefully elaborated, and became a model that was widely followed. Since 1825, trade societies could be lawfully established, but they had no protection for their funds, and their activity was jealously limited. The Engineers, therefore, with legal aid, so drafted their rules (carefully omitting any reference to strikes or disputes) as to permit of their union being registered as a friendly society, thus obtaining some protection. This condition probably reacted with others to make friendly benefits the basis of the new system. The difficulty of the earlier unions had been to keep their members in bad times. Provident

benefits would be a stout bond and a business training in the present, a growing strength for the future. By the same reasoning, strikes and all rash demands were discouraged, the power of critical action being as far as possible withdrawn from local branches to headquarters, where the salaried officials developed an art of industrial diplomacy, and challenged employers in general to adopt the practice of arbitration and conciliation. Great strikes continued to occur—of Preston cotton-spinners in 1853, of the Yorkshire miners in 1858, of boot- and shoe-makers in 1857-8-9, of the London building trade in 1859-60—but they showed little of the old bitterness and violence; and they were frequently, perhaps generally, successful, because trade was steadily expanding. The spirit of fraternal aid had not disappeared, but it was transformed. The London builders, whose combination the masters were bent on destroying, collected no less than £23,000 in outside subscriptions, including three successive weekly donations of £1000 from the engineers. Out of this dispute arose the London Trades Council (which became for a time something like a Cabinet of the labour movement) and the Amalgamated Society of Carpenters. The Ironfounders' Society voted £500 to the Agricultural Labourers' Union in 1874; and in the same year the seamen received over £6,000 from various unions for their agitation.

It is significant of the narrower, intenser aims of the growing unions, and their "junta" of

London leaders, that (though Robert Applegarth became an active member) they gave no help and took no interest in the establishment, on September 28, 1864, of "The International." Karl Marx had been living in London, a poor exile, for many years. The German Social Democratic movement inspired by him had just been started by Lassalle, Liebknecht, and Bebel. The first volume of "Das Kapital," which has been called, without exaggeration, the Bible of modern Socialism, appeared in 1867. For Allen, Odger, and their fellows, these events appear to have had no significance. The London Trades Council refused to recognise the International Workingmen's Association. Probably none were more surprised than they when this feeble offspring of Soho refugees became the bugbear of the European Chanceries; certainly they could not have imagined a day when the Marxian doctrine of the class war would command twice as many votes in the German Reichstag as their own successors could obtain in the House of Commons. Standard piece-work rates (the "Blackburn list" is the classic example), extra rates for overtime, a nine-hours' day, amendment of the law of master and servant, extension of the franchise and of factory inspection—these aims absorbed such strength as they could spare from the routine of union business. First the "Christian Socialist," then the Positivist, leaders gave them invaluable assistance. They were now a regular factor in the political life of the country, and so manifestly honest, public-

spirited, and influential that the alarm created by episodes like the Sheffield "rattening" outrages quickly passed. Labour had become respectable.

The reward came in 1867, in the form of household suffrage, Lord Elcho's Act making breach of contract by a workman punishable only civilly, not criminally, except in aggravated cases, and Mr Walpole's Acts extending State regulation to workshops and lesser factories. Four years later, by Mr Bruce's Act, trade unions were finally recognized as lawful corporations, capable of holding property, and, on condition of registration, of taking legal measures, for instance, against defaulting officers. A portion of the Bill by which it was intended to define afresh the offences of obstruction, molestation, and intimidation, was carried as a separate (and distinctly reactionary) measure, the Criminal Law Amendment Bill. This led to a lively agitation, in which the labour leaders were supported by Mr Mundella and other prominent Liberals. The Gladstone Ministry, however, refused any further action. Employers were left free to circulate black-lists and to organize collective measures for "union-smashing" and reduction of wages; while workmen were punished for using strong language, exercising the mildest kind of pressure upon their fellows, or even for leaving their work simultaneously. This retrogression helped to bring about the downfall of the Liberal Government in 1874. The elections were also made memorable by the return of the first

two Labour Members of Parliament—Alexander Macdonald and Thomas Burt, representatives of the miners. The Disraeli Cabinet proved amenable; and in 1875 imprisonment for breach of contract was abolished, and peaceful picketing allowed.

By these stages, the now familiar methods of collective bargaining in the industrial world were established, and formally recognized by the State. The Trades Union Congress, established experimentally in 1864, claimed to represent 375,000 men in 1872, and 1,190,000—including 100,000 members of the Agricultural Labourers' Union—in 1874. What stood behind this imposing show of the "Parliament of Labour"? The most summary answer to this question, and the most summary view of the policy of the "old trade unionism," is contained in the following figures, published by Mr George Howell, M.P.,[1] of the aggregate amounts spent up to 1890 in various kinds of benefit by fourteen leading unions in the engineering, building, and printing trades:

| | |
|---|---|
| Sick Pay | £1,840,511 |
| Superannuation | 895,076 |
| Funeral benefit | 653,743 |
| Accidents | 195,434 |
| Benevolent Grants | 118,025 |
| Loss of Tools, etc. | 24,822 |
| Out of Work ("Donation") | 3,604,341 |
| Strikes | 462,818 |

[1] *Trade Unionism, New and Old* (1891), pp. 126-7.

The "donation benefit," or unemployed allowance, included "travelling relief," fares to jobs, and some relief due to disputes; like strike pay, it fluctuated with the condition of trade. It is certainly a remarkable fact that, of a total of £7,794,770, no less than £3,727,611 was paid on account of what may be called friendly society benefits, to meet ordinary personal need, and less than half a million for strike allowances. Of the remaining and largest item in the list, unemployment grants, it is impossible to say how much was due to personal disabilities, and how much to the working of the industrial system. The figures do, however, confirm other evidence that, in the period with which we are dealing and for some years afterward, trade unionism had completely shed its old revolutionary tendencies, had lost its political independence, and settled down into social respectability and a virtual acceptance of the competitive economy.

There was no magic in the personalities of the London leaders to produce such a change as this. The Parliamentary Committee manifestly expressed the feeling of its constituents. Average men will always regard a bird in the hand as being worth two in the bush. It must be remembered, too, that the boons which sapped the fighting spirit of organized labour carried the State well beyond the confines of *laisser faire*. Not only was the workman now a voter, and fully inclined to use this new power; not only were his children at

school; not only had a great instrument been built for unknown uses in the future. Almost the whole industrial life of the country was at last being carried on under the eyes of official inspectors. The Liberal State seemed to be splendidly justifying itself.

### III. Co-operation, Thrift, Conciliation

Before we consider the disasters which shattered this optimism, three other institutions characteristic of the time must be briefly noticed—the Co-operative and Friendly Societies, and Conciliation Boards.

Since the day, in 1844, when a few poor weavers, with £28 capital, set up in Toad Lane, Rochdale, the first co-operative store, taking their turns behind the counter, the movement had advanced with giant strides; but here, too, the pure milk of the idealist gospel had been diluted to serve the purposes of daily business. The Rochdale Equitable Pioneers did not despise thrift; but they had visions of their daring venture resulting ultimately in the creation of a self-sufficing community. Unwittingly, however, they had initiated a much more effective revolution when they decided, instead of dividing profits according to the capital subscribed, or equally among members, to divide it (after paying 5 per cent. interest on share capital) among purchasing members in proportion to their purchases. The customers, who thus become owners of the store, have every inducement to

faithfulness; and co-operative distribution has progressed until it embraces 1400 societies with $2\frac{1}{4}$ million members (chiefly in the North, the Midlands, and Scotland), a capital of £33 millions, and sales amounting to £63 millions yearly. To supply this mass of goods, two great wholesale and manufacturing businesses, the English and Scottish, founded in 1863 and 1868, have been built up, owning mills, warehouses, and ships, banking and insurance branches, and building, selling, and letting cottages. The co-operative workshop, productive society, or co-partnership, have made comparatively slow progress; and the difficulty of the division of profit as between consumers and producers is still an unsolved problem. The Co-operative Union, founded in 1869, a federal propagandist body, furthers the legal, parliamentary, and educational interests of the movement. Many of the distributive societies make grants for educational and charitable purposes, and are centres of civic patriotism; but the Owenite ideal of voluntary communism is an ancient memory, and the co-operative societies have hitherto refused to join in efforts for independent labour representation. The important growth of agricultural co-operation in Ireland had a separate origin.

The period of the first recognition of trade unions was also marked by important reforms in the much older and very remarkable network of friendly societies. These took two chief shapes—

improvements of financial organization and State supervision (dealt with by the Acts of 1875-6), and improvements of the actuarial basis of benefits, due to more thorough statistical study of the mortality and sickness experience of the nation. Sir Edward Brabrook, C.B., when Chief Registrar, said that, "as there are no associations the benefits of which are more important to their members, so there are none that are managed with greater rectitude, and few with greater success." It is estimated that the friendly societies of the kingdom now have six million members, and funds amounting to £45 millions. In face of this monument of labour and thrift, the power of the British working classes for voluntary association and business management cannot be doubted. Of many other testimonies of the same fact, we can name but one—the Working Men's Club and Institute Union, founded in 1862, and still doing useful work.

One trade union may differ from another in important respects; the trade union movement as a whole has evolved, like other organisms. Co-operation, in practice, is not what its founders foretold; and it contains very diverse, if not irreconcilable, elements. In describing the various methods of obtaining and maintaining industrial peace, we stand peculiarly in need of a precise terminology. "Arbitration," "conciliation," "mediation," are words used with deplorable indefiniteness; and it would seem that the processes for which they stand, and the history of

these processes, are little understood. The vogue of the phrase "compulsory arbitration"—a faulty and confusing, if not positively contradictory, term—illustrates the need of some clear thought on the subject. The Labour Commission of 1894 [1] recorded the following definitions, which show how elaborate the pacific processes had by that time become:

ARBITRATION is the settlement, by one or more presumably impartial persons, of an issue on which the parties have failed to agree.

CONCILIATION is the coming together of the parties for the discussion of questions with a view to amicable settlement. This word is often used where we should properly speak of Mediation.

MEDIATION means the exercise of good offices by some outside agency, with a view to avert an impending rupture between the parties, or, if the rupture has taken place, to bring them together again as soon as possible, without itself acting as arbitrator, or making an award, though it might sometimes make, and even publish, recommendations as to the course which should be followed. In the latter case, its action facilitates what may be called arbitration by public opinion.

The various methods in practice of settling trade questions by means and institutions internal to trades may be classified as follows, beginning from the bottom of the scale, and working upwards to the most highly organized institutions:

(1) *Negotiations* between individual *employers and deputations*, or representatives, of their own workmen. (Broadly, little organized industries rarely advance beyond this.)

[1] *Final Report* (C.-7421), p. 49.

(2) Negotiations between individual *employers, and trade union officials* from outside on behalf of their workmen.

(3) Negotiations between *officials of trade unions* and officials of *employers' associations.*

(4) *Occasional meetings*, with reference to wage-rates and other general questions, *between committees* of trade unions and committees of employers' associations, with, possibly, at the same time, a standing joint-committee to settle minor questions of the judicial order.

(5) More or less regular and *periodical meetings* between such committees for the dispatch of current business.

(6) Formation of joint-committees, or *wages boards*, composed equally of employers and workmen, and meeting at more or less regular intervals for the settlement of general questions, *with a regular constitution* and rules of procedure, and usually with a standing sub-committee to deal with minor and local disputes in a judicial manner. The wages board, or joint-committee, may either be for a whole trade, or for a district section of a trade, or for a single establishment.

(7) *Reference* of special cases *to an arbitrator* approved by both parties.

(8) Embodiment in the constitution of joint-committees, wages boards, or other courts of conciliation, of the principle of referring to arbitration questions on which such bodies fail to agree. Such rule of reference may be either with regard to all questions, or with regard to a certain class of questions only; and the arbitrator or arbitrators may either be *standing referees*, or be selected upon each occasion *ad hoc.*

Developments later than these will be referred to in a later chapter. So far, the analysis gives no hint of any kind of compulsion; and, in fact,

none was dreamed of. The *Conseils de Prud'-hommes* in France, the *Gewerbegerichte* in Germany, are imitated, if not derived from, the old guild courts. The arbitration courts of New Zealand and Australia in the twentieth century are definitely socialistic experiments. The British conciliation board belongs to a quite different order of ideas. It is neither mediæval nor socialistic. It is essentially a product of Victorian Liberal individualism. It exhibits that almost extinct form of political and social faith in its weakness and its strength. In its weakness: for labour disputes still continue, and hard experience has extinguished the rosy hope that the social problem can be solved by voluntary agreements between masters and men. In its strength: because the spirit of conciliation and arbitration is of incalculable value to every human society, and is indispensable to its growth in freedom.

If the engineers made the model for modern trade unionism, and a few poor Lancashire weavers that of the co-operative store, the standing conciliation board is due to the Nottingham frame-knitters.

We saw in an earlier chapter that stocking-knitting is not, like cloth-weaving, an ancient industry bound up with household servitude, but comparatively modern; that the difficulty of the movements involved delayed the transition from hand to machine work; and that the knitters were thus not overwhelmed, but, failing to re-establish the older regulations, became pioneers of trade

unionism. It was only in 1840 that a frame with one simple rotary motion came into use, not till 1845 that steam power was applied to it. The machine for making circular web came still later. "In 1860, there may have been about 1000 circular frames in Nottingham, turning out their tubular webs by the mile, and the same number of rotary frames, both driven by power. But there were, at the same time, from 20,000 to 25,000 of the old frames spread throughout the country, and double that number in the Midland district. Upon these the frame-work knitters made nearly all the best and most important classes of work."[1] Very shortly after this, William Cotton, of Loughborough, adapted the rotary frame for the automatic narrowing and widening of the web in the process of knitting; then the hand-frame was doomed, and factory conditions ruled. But, in the meantime, while the skilled hand-worker could hold his own, and the hosiers' unions, with nearly a century of experience behind them, were an effective power, reason was opportunely brought to bear; and collective bargaining came into being as a natural resultant of existing forces. Chiefly through the efforts of Mr Mundella, a board of conciliation, representative of employers and employed, was established for the Nottingham hosiery trade. Its first meeting was held on December 3, 1860; and it still exists, proud of its successes and its

[1] A. J. Mundella: "The Hosiery Trade," in the *Co-operative Annual*, 1893.

example. In 1864, Sir Rupert Kettle took a like part in the creation of an arbitration and conciliation board for the building trades in Wolverhampton. In 1867, smitten with admiration for these bodies, the Government passed an Act which would have enabled joint-boards constituted in a certain manner to obtain by licence powers to enforce their awards. Nobody wanted such powers, and the measure was still-born.

The practice of conciliation was taken up by one trade after another. Mr Webb [1] quotes Alexander Macdonald as saying, in 1875: "Twenty-five years ago, when we proposed the adoption of the principle of arbitration, we were laughed to scorn by the employing interests. But no movement has ever spread so rapidly, or taken a deeper root, than that which we then set on foot. Look at the glorious state of things in England and Wales. In Northumberland, the men now meet with their employers around the common board. . . . In Durhamshire, a board of arbitration and conciliation has also been formed; and 75,000 men repose with perfect confidence on its decisions. There are 40,000 men in Yorkshire in the same position." These words smack a little of the newly enfranchised and newly recognized union leader. Behind this crude enthusiasm, there were, however, sober and elevated thoughts. One who took a part in establishing the system says: "It is conciliation (I use the word in its technical

[1] *Trade Unionism*, p. 323.

sense as applied to a conciliation board composed of equal numbers of representatives of both sides) that we want. There is no sound principle to be based on the assumption of two antagonistic bodies, one of which is to be compelled to submit to the other against its will. For there is no ultimate coercive power that could compel 100,000 miners to go down into the pits, or compel the mine-owners to let them. I have been behind the scenes of many 'arbitrations,' and can say that, when the decision of the outside 'arbitrator,' 'judge,' or 'referee,' has been either successful or permanent, it is when he has been merely called in to 'save the face' of one party, or both, by registering a settlement already negotiated. There is no permanence or spiritual force in a decision, a judgment, which leaves a sense of injustice. When we have reached the first stage of having labour on one side, and employers on the other, properly organized in fully representative bodies, they are ready for 'collective bargaining.' Then the great thing is to make them realize that they must settle it between themselves. They can fight, or they can bargain; and what is needed is the machinery for unlimited, continuous bargaining; just as, in a constitutional country, Parliament is always 'bargaining' between Liberal and Tory demands, the door always open, defeat only the starting-point of victory. The best machinery is such as was established in Nottingham in 1860, and afterwards in many of the large industries, in which

there is a body, properly elected, representing both parties in equal numbers, with no appeal (except to the sword), and which must, therefore, settle the dispute somehow. It meets regularly and higgles and haggles, wrangles and manœuvres, obstructs and postpones and compromises, each side only gaining anything by winning over a 'moderate' from the other side. If this little safety-valve or regulator is steadily and continuously at work in some dingy office, the mass of the trade refers everything, great and small, to it, and awaits the result. Strikes die out, as barricades disappear from politics under constitutional rule. Recurrent elections give each side the proper opportunity of changing their representatives, and thereby changing and modifying the spirit of this governing, 'arbitrating' body. Both sides settle down to the habit of 'leaving it to the board.' They know that their bargaining is unlike most bargaining (such as buying a horse), in that they cannot easily go elsewhere; they are each necessary to the other; they must settle, sooner or later; and they had each better choose their best wranglers, and keep them wrangling, with the full knowledge that there is no other way out. When this is the established spirit, if a strike or lock-out comes, it is generally by mutual arrangement, a sham-fight, an excuse for a holiday, or a clearance of accumulated stock." [1]

It is important to realize fully the strength of

[1] Letter from Mr A. J. Mundella to the writer.

this point of view, and this prescription, before we consider its insufficiency, because, so far as they go, voluntary arbitration and conciliation are of greater utility to-day than at the time of which we are speaking, and there is yet wide room for their extension. It will be seen that, in their fullness, they imply organization both of employers and employed, and mutual recognition of the organizations. But agricultural labourers, fishermen, and most women workers, to say nothing of domestic servants, are almost wholly unorganized. There are also large tracts of industry in which employers still refuse to recognize the unions, or do so only occasionally and grudgingly, so that even so slight a concession to reason as a conciliation board is denied. About three hundred such bodies are, nevertheless, now in operation, administering seventeen hundred agreements, by which two-and-a-half millions of workpeople are affected, chiefly in the mining, metal, textile, and transport trades. This is pure gain. The Parliamentary process of government is to a large extent, as is well suggested in the opinion quoted above, a kind of conciliation and arbitration. Nor is any state of society imaginable in which oppositions of interest, such as those of employers and employed, will not arise, and will not have to be settled by negotiation and non-legal judgment. In death, oppositions are ended ; in life, they are only endlessly transformed. Peace is not an end, but a process, an eternal process so far as we can see, a modification of

warfare into what something (perhaps our conceit) tells us are higher forms. The mind of man is a court of arbitration in which the arguments never cease, and which will only close when the last mortal, in frosty solitude, surveys the follies of the race. Arbitration is thus the very breath of social life, the miniature of civilization.

So much being allowed, it must be added that these considerations, while they help to bridge the gulf of fifty eventful years, do not identify the standpoints of the twentieth-century citizen and the man of 1860. The latter discovered and applied a true social principle; but he saw it narrowly through the medium of other ideas that have not stood the test of time. For instance, he believed that labour is a commodity like other commodities (an economic error which we sought to expose in an earlier chapter), and that wages must follow prices. This belief, when the workmen ceased to combat it, was evidently calculated to smoothe the way for conciliation boards, which became a means of proving to the men that prices had fallen, and, therefore, wages must fall, or that prices had only risen five per cent., and therefore no larger advance of wages could be given. Distrust of positive legislation, faith in competition and self-help, in the general advantages of a self-acting industrial machine, an optimism born of the progress of the time, blinded even humane men to the existence of a residuum of labour which lay beyond the hope of benefit from expedients such as conciliation

boards. They do not seem to have dreamed of the increase of this residuum, or (until it happened) of a serious break in the trade prosperity on which all the achievements of the Victorian era were based.

So long as the expansion of commerce and the rise of wages continued, the mass of skilled trade unionists were content to accept the orthodox doctrine along with their share in the product, giving their spare strength to the building-up of unions, friendly societies, co-operative stores, workman's institutes and clubs, and evening classes. In the years of disillusionment that followed, economic and political thought was reborn; and three great facts were forced into prominence—unemployment, sweating, and the periodicity and universality of trade crises. The value of conciliation remained; but its position in the social perspective was greatly altered.

## IV. The Collapse of Agriculture

Life does not wait for the arm-chair philosopher to revise his theories, or for the statesman to test them. It goes on with its secret work of change, always ahead of our slow apprehension; and we are fortunate if, a full generation later, we can penetrate to the meaning of events which puzzled the ablest contemporary thinkers. After the high-water mark of 1874, Liberalism entered upon a period of uncertainty, failure, and slow transformation, its decline, long concealed by Gladstone's

genius, appearing all the more plainly when that prop failed. What it lost in power, a new kind of Conservatism gained. We have, incidentally, shown that one of these forms of political belief arose out of facts mainly of the economic order; its opposite may now be seen rising through a large disturbance of economic conditions. Four new groups of disintegrating influences may be discerned in this period, two of them external—difficulties in foreign relations, and of Imperial rule—and two internal—a prolonged industrial crisis, and a still more prolonged agricultural crisis. To these should be added the distracting Irish problem. The Irish Land Acts of 1870 and 1881 (establishing tenant right and fair-rent courts), and the subsequent land purchase measures, are, however, so closely bound up with elements alien to our subject that no summary treatment of this question can with advantage be attempted here. The exhausting strain it entailed helps to explain the sterility of Liberal statesmanship in other fields. In international policy, Gladstone was far in advance of his time, and he failed to bridge the interval, leaving only one markedly successful example—the "Alabama" arbitration of 1871-2. As to the Empire, the agricultural collapse, and the dislocation of trade and industry in the 'seventies and 'eighties, Liberalism had no clear lead to give. Disraeli and Salisbury had; and the country followed them into the Imperialist-Protectionist reaction.

The "periodicity of commercial crises," Professor Leoni Levi told the British Association in 1885, "has often been noted. Experience tells us that seven fat-fleshed, well-favoured kine—years of plenty—are generally followed by other seven poor and very lean, ill-favoured kine—years of famine." Referring to the crisis then passing away, he continued: "Among the causes mentioned are—the diminished production, and consequent appreciation, of gold; the heavy losses in agriculture, consequent on several successive bad harvests, accompanied by competition of large foreign imports brought to this country at exceedingly low rates of freight; over-production in manufacture, shipping, iron, coal, in fact in every kind, the effect of improved plant and machinery, as well as of a larger amount and greater concentration of capital; heavy losses by numerous destructive wars, and the large war expenditure yearly incurred by the principal countries of Europe; extensive speculative investments utterly disappointing in their results; an excessive expenditure on alcoholic beverages, and the improvidence of the working classes; the restrictive tariffs in many States; the cessation of great discoveries; and the revolution produced by the greater speed in communication." No explanation of the theory of a septennial cycle was offered, and it has been discredited by later experience. Professor Levi's items echo the conclusions of the Royal Commission of 1882-6. Some of them may be doubted; on

the other hand, we might extend the list, if our aim were not rather to discover a true, that is a proportionate, causation. More briefly, then, we may say that the crisis was essentially international, and everywhere found peoples and Governments unprepared; that in Great Britain it was not, as it were, a collapse in a level condition, but a severe break in a rapid rise; and that here the havoc was chiefly due to the effect of a blessed flood of cheap food imports on a home agriculture weakened by high rents and bad seasons, and to the effect of warfare and speculative investment upon industries organized solely for the highest power of production. Foreign industrial competition, it is now evident, was a factor of trivial importance until far on in the 'eighties, and then it was much exaggerated.

Agriculture had prospered greatly under free trade. The removal of tariff privilege had stimulated improvements of various kinds. Reaping-machines came into general use; hay-cutting and other machines were introduced; the steam-plough proved profitable on large farms with heavy soil. The farmer learned to employ nitrate of soda, ammoniacal, phosphate, and other manures. So long as the high prices continued, much inferior land could be kept under the plough. Drainage, reclamation, and intensive cultivation were carried on upon a large scale. There was, indeed, one unhealthy symptom amid this progress—the labourers were steadily leaving the soil. Rents

rose rapidly during the 'fifties, when wheat, barley, oats, and meat were still dear. In the 'sixties, wheat fell, and the rent movement was checked; but the average fertility of land was markedly raised in these two decades. The old conditions of village life were rapidly passing away. Railways, while they helped the marketing of crops, the steadiness of prices, and the cheapening of goods as desirable in the country as the town, brought with them also manners and ambitions hitherto unknown to the farming class. It seemed that prosperity must continue, for the demand of the new urban populations, especially for meat, was rising far more rapidly than their numbers. The great boom in trade from 1870 to 1873 reflected itself in the shires. Wheat and rent rose together. With twenty thousand labourers leaving the land yearly, wages rose to thirteen shillings a week. Then came the slump in trade, a heavy fall in agricultural prices, due to American imports and the resumption of agriculture in France and Germany, and a succession of bad seasons. From 1869 to 1878, there was only one very good British wheat year—1874—and only two others, 1870 and 1875, gave average wheat crops. The worst harvests were those of 1876-7 and 1879.

Acute fluctuations of price had always been the curse of farming, as much under high protection as in earlier and later days. But the prodigious fertility of the American West was a factor

altogether new to history, sure to last for present lifetimes, if not for ever. The following table will serve to show the relation of imports and prices before and after the point at which British wheat-growing on ordinary land became impossible:

| | Average Wheat Prices per Imperial Quarter. | Average Annual Imports (Millions of Cwts.). | | |
|---|---|---|---|---|
| | | Wheat. | Barley. | Oats. |
| | s. d. | | | |
| 1851–5 . | 53 4 | 14 | 2·3 | 2·9 |
| 1861–5 . | 47 6 | 28 | 5·7 | 4·8 |
| 1871–5 . | 54 8 | 44 | 11 | 11·6 |
| 1881–5 . | 40 1 | 58 | 12 | 16·3 |
| 1891–5 . | 27 11 | 69 | 21 | 15 |
| 1901–5 . | 27 11 | 87 | 24 | 17 |
| 1906–10 . | 31 10 | 97 | 19 | 15 |

In the years 1875-9 the farmer was doubly hit: the crops were deficient, and the prices fell. In the following five years, the seasons improved, but prices again fell heavily.[1] In the following table, the last column is given as approximately true by Leone Levi, who, however, admits that the income figure for 1880-4 does not fully represent the actual reduction:

[1] It is interesting to note that they now for the first time fell below the level of a century earlier. In the years 1771-90, wheat averaged only 47s. per quarter.

| | Average Yield, Bushels per Acre. | Average Price of Wheat per Quarter. | Value of Produce per Acre. | Estimated Income from Land. |
|---|---|---|---|---|
| | | s. d. | £ s. d. | Million £. |
| 1865–9 | 27·8 | 53 8 | 9 7 0 | 89 |
| 1870–4 | 27·5 | 55 0 | 9 9 0 | 93 |
| 1875–9 | 24·0 | 47 6 | 7 2 0 | 99 |
| 1880–4 | 27·4 | 42 4 | 7 5 0 | 98 |

A revolution had now been effected in the food supply of the United Kingdom. The available quantity of wheat had not increased as rapidly as that of meat and butter, though it had rather more than kept pace with the growth of population; but the sources of supply were radically changed.

| | Wheat Imports. Million Cwts. | U.K. Produce. Million Cwts. | Supply Per head. |
|---|---|---|---|
| 1852 . . . . . | 18 | 69 | 348 |
| 1885 . . . . . | 80 | 37·5 | 364 |

Many estimates of the losses involved in this sweeping change were made, beside Leone Levi's; but none of them can be accepted as more than approximately accurate. Beaconsfield thought the loss on the 1876 harvest alone amounted to £26 millions. Mr Shaw Lefevre put the loss on the wheat crops of 1875-80, as compared with 1869-74,

at £78 millions. Mr Robert Giffen estimated the deficiency in 1878-80 at more than £40 millions. Perhaps the most trustworthy figures are those put before the Royal Commission on Trade Depression,[1] in March 1886, by Sir James Caird, K.C.B., Senior Land Commissioner for England. After extensive inquiries in England, Scotland, and Wales, he estimated that, comparing 1886 with 1876, out of their "spendable income," in one year,

| | | | |
|---|---|---|---|
| Landlords had lost | | £20,000,000 | (30 per cent.). |
| Tenants | ,, ,, | 20,000,000 | (60 per cent.). |
| Labourers | ,, ,, | 2,800,000 | (10 per cent.) |
| | | £42,800,000 | |

Basing himself chiefly on income-tax figures, Caird also estimated that, in thirty years, agricultural rent in Great Britain had varied thus:

1875. £41,000,000.
1877. £51,800,000 (26 per cent. rise).
1884. £49,900,000.
1886. £41,000,000 (probably).

The years 1893-4-5, when a new and still lower price level was reached, were again years of heavy loss, many bankruptcies, and a general fall of rent, especially in the Southern and Eastern counties.

The most important results of this succession of disasters were (*a*) to halve the area of British wheat farming, (*b*) to reduce greatly the agricul-

[1] *Second Report*, pp. 293-308.

tural population, and (*c*) to confirm the degradation of the remnant of labourers who stayed in the villages. The acreage under wheat fell from about 4 million acres in 1869 to 3,500,000 acres in 1871, 2,600,000 acres in 1882, and 1,900,000 acres in 1911. Permanent pasture steadily increased, and this was one factor in the displacement of labour. The following table shows briefly the double change in the agriculture of Great Britain :

| | Millions of Acres. | | Engaged in Agriculture.[1] | Labourers and Shepherds.[2] |
|---|---|---|---|---|
| | Arable Land. | Permanent Grass. | | |
| 1871 | 18·4 | 12·4 | 1,711,813 | 1,041,445 |
| 1881 | 17·4 | 14·6 | 1,592,520 | 932,527 |
| 1891 | 16·4 | 16·4 | 1,498,041 | 852,027 |
| 1901 | 15·6 | 16·7 | 1,396,350 | 692,546 |
| 1911 | 14·6 | 17·4 | 1,344,372 | 723,699 |

Broadly, a third of the agricultural labourers, with their families—probably a million in all—left the land in the last three decades of the century. Sooner or later, many of them emigrated, after a sojourn in the industrial towns and seaports, where they had swelled the body of applicants for unskilled and casual work. It seems safe to con-

[1] Male and female, except female relatives of farmers engaged in work on the farm, and farmers' sons under 15 years old.

[2] Males only, excluding sons and other relatives of farmers, etc. Owing to changes of classification, the comparison of figures must not be pressed too closely. The last figure is explained by an increase of "agricultural labourers—not distinguished," in England and Wales, from 348,072 in 1901 to 425,063 in 1911—probably an increase of miscellaneous labour on the land in quasi-urban districts.

clude that those left behind in the country were the older, weaker, more helpless, and servile members of a class whose ancient safeguards were now utterly destroyed, the most neglected and despised class in the population, and the one that had gained least by a century of material progress. Joseph Arch's Agricultural Labourers' Union, which had in 1881 a membership of 25,000, and paid considerable sums in emigration aid and sickness and death benefits, faded away.

The agricultural reports of the Labour Commission of 1891-4 present a sad picture of rural decay. Mr Arthur Wilson Fox's report on Norfolk and Suffolk is typical. Here the young man's ambition ultimately to obtain a farm was long dead. "There is no such inducement in the Eastern Counties for him to remain; and it is certainly intelligible that any young man with enterprise or ambition, on a comparatively small wage, not always regular, with scarcely any prospect of improving his pecuniary or social position as long as he lives, should seek any other kind of employment." Most employers complained that the men did less work and were less skilled than formerly, a circumstance which Mr Fox attributed to "a more educated generation shirking and resenting toil which is comparatively badly paid, monotonous, and productive of no material or social improvement." Perhaps the one satisfactory tendency recorded was the withdrawal of women and children from field work, although the "gang" system

still survived in some villages. The ordinary labourer's term of engagement had now fallen to daily service. Indeed, "on some farms the engagement is not even a daily one, for he is liable to be sent back in the middle of the day if it comes on to rain, and to be paid only a portion of the daily wage."

Wages were at the lowest in the purely agricultural counties, rising wherever the proximity of manufacture or mining gave the possibility of an alternative occupation. The following comparative estimate is given of nominal cash wages and actual weekly earnings, when all perquisites were included, of the ordinary labourer in Norfolk, Suffolk, and three Northern Counties:

| | *Nominal.* | *Actual.* | | | | |
|---|---|---|---|---|---|---|
| | s. | s. | d. | | s. | d. |
| Norfolk (Swaffham Union) | 12 | 13 | 4 | to | 17 | 0 |
| Suffolk (Thingoe Union) | 12 | 13 | 0 | to | 17 | 4 |
| Northumberland (Glendale) | 17 | | | | 20 | 9 |
| Cumberland (Wigton) | 18 | 18 | 6 | to | 22 | 0 |
| Lancashire (Garstang) | 18 | 19 | $2\frac{1}{2}$ | to | 21 | $1\frac{1}{2}$ |

With irregular work, men often found themselves in what the Commissioner described as "an infinitely poorer position" than this, a phrase which seems at once to strain the imagination and to belittle the "infinite." There was, however, something more completely within the master's control than the general level of wages. Everywhere cottage accommodation was inadequate,

and commonly there were "many houses more fitted for animals to inhabit than men and women, and in which no human being could be either comfortable or contented." Village after village was condemned for conditions of insanitation and promiscuity, which were largely responsible for premature marriages, involving a hard struggle for existence on the part of the young couples.

These reports serve to remind the student that the agrarian revolution has not, like the industrial, produced a uniformity of conditions throughout the country. The variety is very great. Thus, comparing East Anglia with the North, we see these differences: in the former, the labourer had a considerably smaller and less regular wage; he was further removed from the farmer, and so received fewer favours and allowances; he had less constant work, and must fend for himself in sickness or bad weather; he had usually worse housing, and lived farther from his work; he had less security of tenure, and little or no prospect of rising to a more independent position. On the other hand, he had somewhat shorter hours, more allotments, and more often the advantages, such as they were, of village life, instead of living on the farm. In the Highlands of Scotland, even the pastoral lands were being turned from their use as sheep farms into forests and game preserves; while elsewhere arable land was being turned to pasture. Farm labourers were usually engaged yearly or half-yearly; and earnings ranged from

about £50 a year for ploughmen down to £20 for women workers. The "bothy" system of lodging the unmarried men, and the "bondage" system for women, were condemned as fruitful causes of demoralization, and some disease was traced to bad cottage accommodation. The increase of dairy and fruit farming was a hopeful feature. Scottish farms employed less hands per acre than English, but, on the whole, the Northern worker was better paid and better off generally.

### V. A Trade Crisis analysed

We must now turn back to the commercial and industrial aspects of the crises of 1875 and 1883. It is really a single crisis, with two acute points; for, as the Royal Commission reported in 1886, "with the exception of a short period of prosperity enjoyed by certain branches of trade in 1880 to 1883, the depression has proceeded with tolerable uniformity, and has affected the trade and industry of the country generally." The difficulty of truly describing this, the severest of modern economic disturbances, lies in its great complexity. The bluebooks just referred to show how imperfectly it was understood at the time. The evidence was at once too plentiful and too fragmentary. A generation was yet to pass ere the first Census of Production was taken; but the crude figures of exports and imports, prices current, and various trade records, gave manufacturers and merchants

abundant material over which to air their grievances, and partisans—Protectionists and Free Traders, Monometallists and Bimetallists—their theories and prescriptions. The physiology of trade crises has still not received the attention it demands of economists: forty years ago, the keenest minds were overwhelmed by a phenomenon then comparatively new and positively immeasurable—the world-wide contagion of economic disease. In the strictly local life of olden times, suffering arose directly, perceptibly, from an elementary disaster, such as war, pestilence, or the failure of crops. But the paradox of the 'seventies and 'eighties—a relative paradox, of course, for "overproduction" had been discussed long before—was that, to all appearance, men were being ruined by cheap food supplies, and the abundance of goods of which all needed more than they could get. Common-sense at once suggests the observation that, if the reality corresponded to this appearance, the commercial system approved by the orthodox economists was, to put it mildly, a very crude affair, calling for speedy alteration.

There was both truth and fallacy in this view. Undoubtedly, the elaboration of economic life, and the closer interdependence of different communities and different classes within each, as they bring advantages in good times, involve their own peculiar disadvantages whenever the normal process of trade is dislocated. The mechanism through which exchange operates is a very extensive and

delicate affair. It is subject to inner breaks, and to shock and strain from the current that flows through it. In the former order, banking organization and currency, in the latter increases and transfers of productive, distributive, and consumptive power, take a leading part. In earlier crises, we have seen the widespread mischief that accrues from a breakdown of banking. In the present case, the chief mischief within the exchange mechanism related to the currency. Gold was in greater demand, as token of a swelling trade; but the supply was diminished not only by slack production, but by the adoption of the gold standard by Germany and Holland in 1873, when large quantities were exported from England. That is, gold became dear; or, in other words, commodities became cheap as measured in terms of gold. One of these commodities was silver, which was further cheapened by mining activity, and by the Continental demonetization of silver. This was a severe blow to India, not in her internal exchange, which remained and still remains on the silver basis, but in the payments which she must make to England on account of interest on debt, purchases of goods, and civil and military services. In time, an adjustment was made under some of these heads by writing down the exchange value of the rupee. But it will be seen that the whole volume of the foreign commerce of a country may be depreciated by an obscure break or decay within the machinery of trade.

Yet an injury in the medium of exchange can hardly be as serious a matter as a great disturbance at the inlet or the outlet of the current of trade itself—that is, in production or consumption. Disturbance of this kind rose, in 1875, from events of an opposite character—destruction by warfare in Europe, and by bad weather in England, on the one hand; on the other, the rapid opening of immense areas of virgin soil in America, and the increased power of manufacture, especially in England, and of transport. In the annals of the time, these factors are almost inextricably confused. It is, however, important to distinguish them clearly in our minds, lest we make the evident error of tracing evil to things good.

The war of 1870-1, the last of a series of destructive contests, crippled the two leading nations of the Continent. This was the British manufacturers' opportunity. Exports, which had stood at £180 millions in 1867, and £190 millions in 1869, rose in the first year of the war to £199 millions, then to £223 millions, and in 1872 to a maximum of £256 millions. In 1873, when France paid her indemnity of £200 millions, and, for the rest, was kept busy restoring the public and private property that had been destroyed, this maximum was maintained. But the loss of two competitors now proved itself to be, also, the loss of two consumers. The two countries had sacrificed to their ambitions nearly 200,000 able-bodied combatants killed, and a larger number wounded.

France had now to pay the money penalty—that is, had to enter upon an arrangement by which a sum of about £8 millions was to be paid yearly in perpetuity, or till the capital debt was redeemed. Germany had to learn that a victory may be only a degree less costly than a defeat. Much poorer than France in hoarded wealth, she had been deprived for many months of the labour of a million of her stoutest men. With the return of the armies, this labour-force was suddenly restored, not to a normal activity, but in a feverish effort to recover lost ground. The expenditure of the French milliards—chiefly on railways, other public works, and armaments—created a class of manufacturers and workers which was to be, in future years, dependent on Government favours, and led to a rage of industrial speculation. In five years, the number of joint-stock companies increased nearly fivefold. There being no corresponding increase of the power of consumption—because, while the French indemnity may be said to have paid for the maintenance of the German armies, it did not and could not compensate for the arrest of wealth-making during the war—an acute reaction took place in 1874; and serious depression continued till 1879, almost every branch of German industry being affected. Between the two years named, British exports declined from £239 millions to the minimum of £191 millions, rising again to £241 millions in 1882, and then once more falling. Austria, always bound economically to Germany

much more closely than England is, received a still more severe shock.

The Russo-Turkish War of 1877-8 was an important factor in the second phase of the crisis; but its effect was more marked upon invested than trading capital. The long prosperity of the Victorian age had led to a great and, at last, a reckless increase of British foreign investments. Among these were many loans to the petty States of Central and South America, a half of which were in default in 1875 (some are on the black-list of the Council of Foreign Bondholders to this day). Most Turkish loans were held in England; from 1876 to 1882 they paid no interest, and then only a nominal amount. There were also heavy losses on Egyptian and American securities. Russia and Turkey were now weakened as purchasers; and these branches of British export trade, after a momentary stimulation, suffered a corresponding relapse.

The mischief of warfare is comparatively easy to appreciate. It destroys capital and labour at once; it destroys past wealth, present wealth, and the means of creating wealth in the future. It thus compels more strenuous labour on the part of a weakened community, and at the same time compels abstinence—that is, it reduces the power of consumption from which alone the demand for labour can arise. The mischief of bad investments is obvious. The mischief of a crop failure is also easy to appreciate: there is direct loss to farmers,

landowners, and labourers, and indirect loss to others by the restriction of purchases. These are all cases of immediate destruction of consuming power, which conveys, in turn, a check to the whole business of production. They clearly help to explain the long depression of British trade, during which factories, foundries, and ship-yards were closed, wages and profits were reduced, and when, as we are assured, the London repositories were full of discarded carriages, hunters and racers were sent to Tattersall's, houses were given up, and the summer holiday resorts cried out for the guests who came not. But the main cause of the crisis is said to have been not these evident evils, but something called "over-production," in other words, a superabundance of cheap American foodstuffs and cheap British manufactured articles. Cheaper production and distribution, which normally stimulate consumption, are said on this occasion to have produced a general and disastrous "glut." We shall miss the whole point of the 1875-83 crisis if we do not reach a better understanding of this complex phenomenon; and for that reason we have separated the demonstrable causes of direct loss—currency disorder, warfare, speculation, and crop failure—and left "over-production" to the last.

America, then pre-eminently the land of economic "freedom," and therefore, in the individualist philosophy, of economic harmony, will afford us the most considerable and glaring illustration of

what actually happened. Here the worst wounds of a terrible war had been healed, and the marvellous natural wealth of the West was at length being tapped. The Bessemer steel process should have been an unmitigated blessing to mankind, since it halved the labour needed to make a mile of rails. The new wheat lands ought to have been a pure addition to human wealth. But the competitive system of exploitation, which is tolerable in normal times, develops before any special opportunity an orgie of greed the end of which may be nearly as disastrous as a great war. In a few years, 30,000 miles of railways, costing something like £10,000 a mile, were built—in many cases, by the way, built so badly that they had presently to be reconstructed. Not only had interest and dividends to be paid on this £300,000,000 of capital (much of it drawn out of other channels of production). Great mining, iron and steel making, and other businesses were called into being; labour was attracted from every side; wages and prices rose sharply under the hot demand. The rise of prices brought a flood of imports (especially British); the rise of wages brought a wave of immigration; prices and wages in Europe hardened in sympathy. The inevitable and tragic break, which occurred in 1877, may be described in several ways, according as we centre our attention on the factors of production, which are one end, or the factors of consumption, at the other end of the economic process, or on the

complex mechanism of exchange which unites these two. The orthodox theory was that invention, by producing cheaper production, so stimulates consumption that a larger and more varied production is in turn created. In an ideal society, where no one was dominated by greed or need, and normal development was not disturbed by outer pressure or temptation, this would, no doubt, occur. In real life, the correspondence between the two ends of the process, between production and consumption, is so slow and imperfect that much of its benefits may be lost in an interval of ruinous panic. Production—railway building, in this instance—is at length checked by high interest, high prices, and high wages. Orders for material cease, and prices fall. Labourers are dismissed, and wages fall. Capital is cancelled, and interest falls. The infection of prodigal—that is, excessive and ill-directed—investment gives place to an infection of parsimony, and the reaction spreads endlessly. The promised crops are reaped; but they have to be sold so cheaply—that is, so many purchasers have been disabled—that farmers on both sides of the ocean are ruined. For hundreds of thousands of workers, the benefit of cheap bread is negatived by low wages and irregularity of employment.

What the railway is to the Western Continent, the ship is to the British Commonwealth. Always a speculative enterprise, rising and falling with, or in anticipation of, the obscure tides of commerce,

ship-building flourished upon the American boom, until the slow, grinding crisis of 1883-8 brought about a stoppage by which tens of thousands of men were thrown out of work, trade-union funds were exhausted, and riotous gatherings of the unemployed in London caused deep alarm.[1] Here, again, the increasing use of steel represented a great national economy; but the other side of the account is weighted by the losses of iron manufacturers, and the costs of the general economic disturbance. It is needless to multiply illustrations.

The signatories of the Majority Report of the Commission of 1886 drew comfort from the fact that the volume of British foreign trade, as distinguished from its declared value, showed little or no diminution, even at the two acute points of the crisis, and over the whole period showed a considerable increase. The difference between the quantity and the price measurements may be shown thus:

[1] It was estimated that the carrying capacity of British sailing- and steam-ships (taking the latter as three times as efficient as the former) rose from 10,000,000 tons in 1875 to 14,600,000 tons in 1883. The following figures of ship-building show the sharpness of the fluctuation:

| | |
|---|---|
| 1880 | 796,221 tons. |
| 1881 | 1,013,208 ,, |
| 1882 | 1,240,824 ,, |
| 1883 | 1,329,604 ,, |
| 1884 | 820,000 ,, |

| Annual Average. | In £ Millions. | | | Per Head. | | | Shipping Tonnage cleared. |
|---|---|---|---|---|---|---|---|
| | Imports. | Exports. | Total. | £ | s. | d. | |
| 1865–9 | 286 | 230 | 516 | 16 | 19 | 1 | 14,618,000 |
| 1870–4 | 348 | 288 | 636 | 19 | 19 | 3 | 18,780,000 |
| 1875–9 | 375 | 258 | 632 | 18 | 16 | 6 | 21,509,800 |
| 1880–4 | 408 | 298 | 706 | 20 | 0 | 1 | 27,673,000 |

The diminution of the value of exports in the third period was wholly on account of foreign countries; the Indian and Colonial trade expanded continuously. The difference between price and volume may be again illustrated by the fact that the exports of 1883, valued at £240 millions, would, at the prices of 1873, have been worth £349 millions.

If trade is substantially an exchange of commodities and services, not of money, and if the volume of trade increased, how are we to explain the "depression," with all its grievous incidents? In the first place, it must not be assumed that oversea trade is a perfect index of the whole volume of national business. We have seen that a loss of "spendable income" of the agricultural class, amounting to £42 millions in a single year, is reflected in the foreign trade returns only in the form of increased food imports. Depression in the building trades and many other industries engaged in home production and distribution only might co-exist

with a brisk foreign trade. Secondly, it is not enough that there should be a positive increase of trade. If the rate of increase be slackened—and this was certainly the case in 1875 and 1883—factories must be closed or put upon short time, furnaces are blown out, a thousand kinds of preparation for enlarged output are stopped; and, at every such point, unemployment and restricted consumption convey the contagion to other kinds of business. Thirdly, we must note what may be called the fallacy of totals and averages. A statistical increase presents the balance of many *plus* and many *minus* quantities. But, in real life, gain and loss do not really balance as they do in the perfect fluidity of statistics. Even in the individual experience, the gain of one day does not always or wholly extinguish the loss of another. In the vast majority of lives, a slight rise of wages merely means a slight alleviation of the pains of poverty; whereas any decrease means actual hunger and other misery. Still less does the gain of one class, whether of employers or employed, compensate for the loss of another class. The gain does not circulate fully; for in a critical time the instinct is to hoard profits, not to embark them afresh. But, while gain concentrates, loss distributes itself, falling to lower and lower levels of society, and pressing most heavily upon those least able to bear it.

It is very possible that, at this time, England suffered less than the United States and the leading

nations of Europe. Crude as it seems in retrospect, the British trade system was the most highly developed, the most fluid, the most responsive then existing. It possessed the most varied and widespread markets. Its directors were the most experienced and probably the most able captains of finance and industry in the world. Their credit was the best; and their greater accumulated capital enabled them longer to continue unprofitable transactions.

While it is impossible to measure accurately the incidence of the different factors separated above, this slight analysis points to one clear conclusion. What is called "over-production" chiefly means disorganization. Where greed and need are masters is chaos, not liberty. Production is then not a smooth co-operation of land, labour, and capital, but a more or less violent and wasteful struggle, marked by alternations of idleness and reckless adventure, over-estimates of demand leading to feverish transfers of energy from one product to another, and a general mal-distribution of effort. Exchange is not a smoothly working process, but one in which the strains due to the irregularity of the stream of business are aggravated by self-interested interferences with the mechanism itself. Consumption is not a sane satisfaction of needs, steadily expanding in quality as well as quantity, but an unstable balance of the stint of the many and the folly (whether in saving or spending) of the few. Whether, in normal times, individual

self-interest is a sufficient and safe driving-power for the business of a community, or not, it evidently breaks down in face of an emergency. When, as in the case we have examined, the three types of emergency—wholesale destruction of wealth, sudden new creation of wealth, and disturbance in the medium of exchange—are combined, widespread disaster results.

All this is now very clear, to the capitalist as well as to the labourer; forty years ago it was not so at all. There was no sort of organization in any department of production or distribution to meet the demand of such a crisis. The mere idea of organizing, even on a national scale, against what was yet coming to be regarded as a periodical misfortune would have been ridiculed. Sir Wm. H. Houldsworth, a Manchester M.P., member of several Royal Commissions, and a typical figure of the time, speaking at the Industrial Remuneration Conference of 1885, said: "The first condition which industry demands in order that it may live and grow is freedom—freedom to spring where it likes, to flow where it likes, to alter its course as it likes, to disappear if it likes. '*Noli me tangere*' is the true password of industry. And, to the thousand voices which from time to time press on us nostrums for the revival of dying trade, the only real and sensible answer is, 'Why can't you let it alone?' If you meddle with it, you will most likely kill it altogether. . . . All industry is governed by the great law of supply and demand. This law is to

trade what the law of gravitation is to matter. One of its first effects is to cause fluctuation. . . . How, then, is it possible to have any 'stability of industrial employment,' or any 'steadiness in rates of wages'? It is a question whether, if stability and steadiness (that is, no falls, but also no rises) were possible, it were desirable. The instability and unsteadiness of trade are its best stimulant. . . Only two suggestions occur to me. They are not new, but, being founded upon the great law which regulates trade, they cannot be too often insisted upon. The first is, open new markets. The second is, produce as cheaply as you can." [1]

This was Spartan counsel to men who had seen their businesses ruined, their small savings devoured. Yet the words were characteristic, and only a few heretics had yet openly challenged the fatalism they expressed. We have seen that the spirit of *laisser faire* had become greatly weakened wherever the appeal of individual suffering, or the power of organized labour, demanded a compromise. But the principle that, as a whole, the business world must be left to regulate itself was open only to a mild doubt. During a generation of expanding trade, manufacturers had grown accustomed to regarding the economic process as working smoothly, like their own engines, with only an occasional jolt or jar.

To the average man the whole subject was as abstruse as the differential calculus; the main

[1] *Report of Conference*, 1885, pp. 232-5.

body of trade unionists had tacitly accepted the system into which they were born; the average merchant and manufacturer conducted their affairs by rule of thumb, content that "the fittest" should survive in what the new science told them must be a relentless struggle. If taxation were equitably spread, and the Budget balanced, statesmen had done their duty. The daily newspaper was, indeed, beginning to supply a rudimentary account of the markets and supplies of the world. Banking was more stable than of old; on the other hand, the limited-liability principle, legalized by the Joint Stock Acts of 1855 and 1862, covered, especially in the hands of the professional company promoter, much rash and injurious speculation, and some actual fraud. In general, commerce was a scramble, in which there was scant pity for the hindmost; and it does not seem to have occurred to anybody that it would pay to keep a man in a watch-tower to look out for approaching trouble. The Royal Commissioners themselves, to whom the puzzling problem had been remitted, recommended more technical education, the suppression of inequitable railway rates, the development of canals. In fact, like Sir W. H. Houldsworth, having diagnosed "over-production," they could prescribe nothing but more "over-production." They condemned the abuse of limited liability, but failed to see in the principle of joint-stock trading an instinctive effort on the part of capital toward better organization. They deprecated

any idea of making the diplomatic and consular services directly useful to trade. Only a minority of protectionists conceived the possibility of any bolder attempt to control the anarchy of commerce in the general interest; and their panacea was evidently no cure for "over-production," or other ills of an insular State dependent upon a world market.

The doctrine of thrift has one memorial in this crisis: it just saved the trade unions and friendly societies from extinction. But, in the dark days when the fires were put out and the engines stopped, when the emigrant ship was full and the bankruptcy courts were busy, men began to ask themselves whether the doctrine of thrift and its associated principles had not blinded them to a need more vital even than the preservation of trade unions, to wit, the preservation of trade itself. An instinct of self-preservation tells us when a social theory has broken down long before a scientific account of the failure can be given; and thought gallops when hunger drives. The air is full of questioning. It is all very well for the wealthy employer to hail "instability and unsteadiness" as "the best stimulant" of trade; but how can the poor be expected to accept this view? Is there not something like an antithesis between "instability" in this sense, and the fluidity postulated in the old optimist theory? In the name of freedom, an orderly expansion was promised; must not order now be sought in another direction?

The work of political reform had been nearly completed; but of what use to those who made it was a Government which stood impotent, if not indifferent, before the gravest, and now the most characteristic, form of social calamity? The Royal Commissioners had shown a touching regard for the dignity of Her Majesty's Ambassadors and Consuls; would it not have been more to the point to require that the State should aid the commercial community at least by supplying it with early information of important business developments? The Manchester man might make light of the decay of agriculture; could the nation afford to do so? Above all, was it quite beyond hope to procure closer harmony of production and consumption?

Amid various degrees of pessimism, three types of answer to these and like questions gradually crystallized out. Landlords, farmers, and a few merchants representing decayed industries (prominently, the sugar-refiners and West Indian planters) revived the almost forgotten demand for Tariff protection. A school of Imperialist thought arose, and with more immediate success; for, under the belief that "trade follows the flag," four million square miles of territory, principally in Africa, were added to the Empire during the decade following 1883. This reply proved very disappointing and costly. Finally, a new Labour movement appeared, into the origin and character of which we must look more closely.

## CHAPTER VIII

### THE AWAKENING. (1886–1900)

### I. THE "RESIDUUM" DISCOVERED

THE features of the international trade crisis are to be seen in miniature not only in disturbances of national extent, but in the lesser fluctuations which are always occurring in domestic industry and commerce. Every Irish famine, the cholera epidemics in the middle of the century, the harvest failures, the railway mania and other excesses of speculation, every collapse of a banking or trading house, sent currents of injury vibrating through the whole social fabric; while, from the benefits of every great discovery and invention, every labour-saving device or improvement of method, some deduction must be made on account of the disturbance it created, in the absence of aids to economic readjustment. A maximum of friction, a miminum of security: these were the actual characteristics of a machine constructed by the spirit of gain out of the broken pieces of an organic society. The perfect fluidity of the factors of production and exchange, the "harmonies" expounded by Bastiat, are a myth of the old economics. Directly we pass from the study to

the world of affairs, we perceive that the injury involved in this perpetual round of accident, displacement, and speculation is so widespread as to appear as a social disease rather than a series of individual injustices.

The common benefit which should result from every exchange of the products of divided labour may in large part disappear, or be seized by the party holding the stronger strategic position. This is not necessarily the employer. In an analysis of trade bargaining as it actually occurs, Mr and Mrs Webb have shown that, "paradoxical as it may appear, in the highly developed commercial system of the England of to-day, the capitalist manufacturer stands at as great a relative disadvantage to the wholesale trader as the isolated workman does to the capitalist manufacturer." [1] Evidently, there are limits to the rise of either profit, interest, rent, or wages at the expense of the other factors, just as there are limits to the advantage consumers can gain from the competition of producers. But, no less evidently, the productive factor strongest in organization, in waiting power, in bargaining skill, in the knowledge of market, can, within these limits, greatly increase its share, just as the consumers will gain in prices where producers and distributors are unorganized, and buying calls for little expert knowledge.[2] We

[1] *Industrial Democracy*, S. and B. Webb, p. 662.

[2] "With regard to the vast majority of the purchases of daily life, no one but an expert can with any assurance discriminate between

may visualize every common article—a knife or a bobbin of cotton, as much as a shop or a factory—as the resultant of a series of price-battles; and these battles, like the cruder contests of nations, are settled not by reason or justice, but by strength. The final purchaser squeezes the retailer; the retailer squeezes the wholesaler; the wholesaler squeezes the manufacturer, who in turn squeezes the provider of his raw material; and retailers, wholesalers, manufacturers, and raw material providers all squeeze their workmen, subordinate officers, and agents. The great mass of the combatants can do no other. As, in warfare, it is only the regular forces of highly organized States that can be trusted to obey Red Cross rules and other restrictions, so in the industrial conflict it is only the wealthy directors of prosperous, well-established firms who can give model conditions of labour and maintain perfect propriety in all their dealings. Every type of "sweater" repeats the plea of Romeo's apothecary: "My poverty, not my will, consents." And, as fear breeds hate between the clerks in one office, between shop-walker and shop-assistants, between foreman and hands, so different labour groups in the same trade are alienated by alarms lest one encroach upon or sap the position of the other.

The ethic of Victorian industrialism rested upon

shades of quality, and the ordinary customer is reduced to decide by price alone" (Webb, p. 672).

a breezy assurance that fighting was the way of life (perhaps that is why its sermons on behalf of international peace and its example of free trade were so sterile), and that one "self-made man" who survived was worth a hundred weaklings who went under. When Bentham declared the spectacle of an enclosure to be "one of the most reassuring of all the evidences of improvement and happiness," we perceive the inadequacy even of the most encyclopædic book-knowledge. The Manchester men who echoed the Benthamite precepts knew quite well what business meant. They were very ready to denounce the greed of Tory landlords; their own greed they found justified, first by an economic doctrine, according to which the rewards of capital and labour were inexorably fixed by natural law, operating through a self-adjusting mechanism; secondly, by a biological doctrine (attributed to the gentle Charles Darwin), according to which there was no way of progress save that of struggle and elimination; often, also, by a theological doctrine which promised the continuance in another life of the same social distinctions. These ideas have passed, along with the environment out of which they arose. They must have had a meaning and use in their time which we cannot recapture. But, while it suffices for our purpose to depict the common features of the Victorian economy, rather than any effects of individual depravity, it is impossible not to conclude that these doctrines greatly discour-

aged fair dealing, pity, faith, and generosity, not only between employers and employed, but in all classes.

Take, for instance, the individualist-utilitarian view of usury. The hatred of extortionate lending, which is natural to a static agrarian society, is much weakened in a rising mercantile community by the general need of extended credit. The orthodox economists, possessed by the wish to destroy ancient restrictions, secured, in 1854, the repeal of the usury laws. Long afterwards, in what has been called the hey-day of the money-lender, J. S. Mill was completely satisfied with this step. He ranked the usury laws, next to Protection, as a "mischievous interference with the spontaneous course of industrial transactions," and declared that they had been "condemned by all enlightened persons since the triumphant onslaught made by Bentham in his 'Letters on Usury,' which may still be referred to as the best extant writing on the subject." Whether the law interfered or not, the rate of interest would, he believed, be fixed by the competition of borrowers, and the answering competition of lenders; but, in the former case, some capital would be frightened away, and then the price of credit would be raised, so that the borrower would be actually hurt by the measure conceived for his benefit. "It would be difficult to point out any case in which such tenderness on the legislator's part is more misplaced. A person of sane mind, and of the age at which persons are

legally competent to conduct their own concerns, must be presumed to be a sufficient guardian of his pecuniary interests. . . . The law seems to presume that the money-lender, dealing with necessitous persons, can take advantage of their necessities, and exact conditions limited only by his own pleasure. It might be so, if there were only one money-lender within reach. But, when there is the whole monied capital of a wealthy community to resort to, no borrower is placed under any disadvantage in the market merely by the urgency of his need." [1] Mill knew, by hearsay, that there are unfortunates of all classes who, having little or no regular security to offer, must yet borrow ; but it is difficult to believe he had ever met such a case in real life. Had he done so, sympathy would have opened his eyes to three kinds of consideration—political, economic, and moral—destructive of his argument.

The political consideration is that there are many manners and degrees of State " interference," of which some may be mischievous in given circumstances, others useful. An extortionate money-lender comes into Court to demand his pound of flesh. If any evil bargain he has made is to be there ratified without question, the State is made a party to his extortion, and its character as a guardian of equity is deeply prejudiced. It is, however, necessary to the regularity of justice,

[1] J. S. Mill : *Principles of Political Economy*, Bk. v. ch. x., § 2.

and the proper relation of the various functions of the State, that any control over Shylock by the Court should derive from definite enactment. After many scandalous episodes had come to light, a Parliamentary Committee, in 1897, recommended one of two courses—either "that any interest above a certain rate on loans advanced by professional money-lenders should be irrecoverable at law," or "that the Courts should have the power to go behind any contract with a money-lender, to inquire into all the circumstances of the original loan and of the subsequent transaction, and to make such order as may be considered reasonable." The first suggestion was rejected; the second was embodied in the Money-lenders' Act of 1900, which required the registration of money-lenders, and enabled the Courts to cancel or amend a bargain considered "harsh and unconscionable." There is here no interference with any but cruel contracts, and then only if the lender invoke the aid of the State to recover his money. Yet the Act is a substantial check upon extortion. The economic consideration overlooked by Mill is that, in such cases, there is no real "competition." In the respectable upper levels of credit business, where good security can be offered, there is effective competition on both sides; but even here the process of demand and supply is increasingly eased by the growth of insurance, co-operation, and other types of provision or safeguard. The moral consideration which usury suggests to those

who know the facts is one that dominates our whole subject: wherever there is human suffering that individual effort cannot help, and State action easily can, this action may be invoked, not simply for the sake of the immediate sufferer, but for the good repute without which no State can now claim the loyalty of its citizens. As Mill himself said, in closing his great work: "Even in the best condition which society has yet reached, it is lamentable to think how great a proportion of all the efforts and talents in the world are employed in merely neutralizing one another. It is the proper end of Government to reduce this wretched waste to the smallest possible amount, by taking such measures as shall cause the energies now spent by mankind in injuring one another, or in protecting themselves against injury, to be turned to the legitimate employment of the human faculties, and of compelling the powers of nature to be more and more subservient to physical and moral good."

In these words, the failure of the old economics stood confessed. The "self-adjusting mechanism" was found to be producing "wretched waste," even in the best condition of society. The common people had known that all along—hence their crude essays in revolt, and their later, soberer, and more successful, efforts of self-protection. A stunted generation of factory operatives was there to confirm the pathetically tardy discovery. Capital had long entered upon a path of self-

organization, for capital also may be said to abhor the kinds of waste to which it is liable, as nature is said to abhor a vacuum. *Laisser faire*, in fact, had never been, could never be, logically practised. Rising, on the strength of a useful, if negative, work, in the declining days of the Oligarchy, it melted away like a polar berg in the Gulf Stream of Democracy. It had weakened, but could not destroy, the religious motive, and the sense of community of interest, in society. The ancient boon of a weekly rest-day was maintained. So were, and are, the bars and privileges of the legal, medical, and other professions. Landlordism survived the repeal of the Corn Laws. The flow of promiscuous charity continued; mercy, or prudence, tempered the rigour of the workhouse test. The cost of unrestrained competition in the lives of the British poor is beyond measurement or imagination. At last, however, by infinite pains, the hardiest of the working classes had won two means of defence against the essential injustice and cruelty of individual bargaining: the Factory Acts and kindred legislation, now sure to be extended, and the great structure of the trade unions, with its buttresses in the friendly and co-operative societies. But for the economic crises of the 'seventies and 'eighties, this constructive movement might have continued slowly, almost unconsciously, to modify social conditions. As it was, suffering and the sharpness of mind it brings dissolved many old prejudices, and gave a new

turn, a new colour, a desperate urgency to the now universally debated "social question."

For the first time, the enormity and complexity of the problem were clearly revealed. The great mass of labouring people were, in fact, far removed from the hopes raised by the older trade unions; and, if they gained indirectly, by the force of example and shame, more than the zeal of a few factory and workshop inspectors could directly win for them, this minimum of health safeguards and of leisure left the battle of wages and regular employment still to be fought. State regulation of the conditions of labour was very inadequate, as innumerable inquiries were to prove. The inadequacy of trade unionism, even at its maximum strength, may be seen in the figures of population, employments, and trade union membership, printed on a later page.[1] At the date of the 1901 Census, the unions had fully recovered their losses and had reached a new high record. The population of the United Kingdom was then just under 42 millions; that of England and Wales, for which details are given, was over 32 millions. Yet the total force of trade unionism in the kingdom was less than 2 millions, out of more than 14 millions of "occupied" persons in England and Wales alone. A quarter of the whole number were miners; the building and clothing unions contributed another quarter; transport, the metal

[1] Appendix II.

trades, engineering, and ship-building, a third quarter. The number of organized women was only 123,510 (6½ per cent. of the whole army); and nine out of ten of these were in the textile trades. Two million domestic servants and a million agricultural workers had no organization whatever; a million persons employed in the food trades, and, perhaps, a larger number of clerks and shop assistants, had scarcely any. This was the situation after some years of steady advance and trade prosperity. Twenty-five years earlier, on the eve of the great crisis, it was much less favourable. In 1880, a mere skeleton remained of the battalions that had been so hardly gathered and drilled. Wages fell to hunger level; hours of labour and overtime were extended; worse still, hundreds of thousands of men were thrown out of work altogether. The Amalgamated Engineers paid £287,000 in unemployment benefit in three years. After the failure of the City of Glasgow Bank, most of the Scottish unions disappeared. The one-tenth of the industrial population which alone had felt, directly or indirectly, the advantage of collective bargaining and benefits was now almost defenceless and resourceless.

What of the remaining nine-tenths? "To me, at least," said Mr Frederic Harrison, at the Industrial Remuneration Conference of 1885, "it would be enough to condemn modern society as hardly an advance on slavery or serfdom if the permanent condition of industry were to be that

which we behold, that 90 per cent. of the actual producers of wealth have no home that they can call their own beyond the end of the week; have no bit of soil, or so much as a room, that belongs to them; have nothing of value of any kind, except as much old furniture as will go in a cart; have the precarious chance of weekly wages which barely suffice to keep them in health; are housed for the most part in places that no man thinks fit for his horse; are separated by so narrow a margin from destitution that a month of bad trade, sickness, or unexpected loss, brings them face to face with hunger or pauperism. In cities, the increasing organization of factory work makes life more and more crowded, and work more and more a monotonous routine; in the country, the increasing pressure makes rural life continually less free, healthful, and cheerful; while the prizes and hopes of betterment are now reduced to a minimum. This is the normal state of the average workman in town or country, to which we must add the record of preventable disease, accident, suffering, and social oppression, with its yearly roll of death and misery. But, below this normal state of the average workman, there is found the great band of the destitute outcasts, the camp-followers of the army of industry—at least one-tenth of the whole proletarian population, whose normal condition is one of sickening wretchedness. If this is to be the permanent arrangement of modern society, civilization must be held to bring

a curse on the great majority of mankind." Mr Harrison concluded that the fortunate few skilled artizans had gained and were gaining much, the average workman a little. "The destitute residuum is, if relatively diminishing, positively increasing in numbers, and is in a state of appalling barbarism. The general improvement is of so moderate a kind, and is accompanied with evils so menacing to society, that the future of civilization itself is at stake."

What was this "destitute residuum," which another religious leader, General Booth, of the Salvation Army, called the "submerged tenth"? It hovers mysteriously behind the grim statistics of successive Registrars-General; and from this source we can take evidence at once more precise and more comprehensive than that of wage-rates or figures of unemployment and poor-relief. In 1864, Dr Farr had shown that whereas, in 63 "healthy" districts of England and Wales, the annual mortality of children under five years of age was 4 per cent. of those living, in 151 other districts it averaged 8 per cent., exceeding 10 per cent. in Sheffield, East London, Coventry, Nottingham, and Leeds, and being 11·7 per cent. in Manchester, and 13·1 per cent. in Liverpool. That is to say, measured by the "healthy" districts, the others, with a population of 1,391,000, were sacrificing 64,909 children's lives yearly. Nor was this the only, perhaps it was not the worst, horror. Conditions which kill the weak weaken the strong; and a high

infantile death-rate is a rough index of general morbidity in a population. This rate rose continuously through the 'forties, 'fifties, and 'sixties; it fell slightly in the 'seventies; only in the last decade of the century did the effect of sanitary administration, education, better wages, and other civilizing influences become markedly visible.

The evidence of the liability of industrial conditions, general and particular, for this record of disease is overwhelming. We may cite, from a library of bluebooks, two typical sets of figures. In 1891, one-sixth of the whole population of "Proud Lancashire" between the ages of ten and seventy years were textile factory hands; in towns like Preston, the proportion rose to one-fourth, including as much as a half of the female population of a working age. These people spent one-third of their working lives (56 hours a week out of 168) in the mills—young and old, precocious children and prematurely worn parents, turning out at half-past five in the morning, indifferent to rain or frost, tending the roaring machines all day long at full nerve tension, in a damp, torrid atmosphere, where the cotton dust often hung as a palpable cloud as much to be dreaded as the unguarded shaft and the flying shuttle. Like conditions existed in the woollen districts of the West Riding. In such communities, neglect of the home and the young, of education, and the art of life generally, is as much a consequence of a century of triumphant industrialism as are the

shrewdness and political sense of the Northern operative. The result may be coldly measured in this comparison between rural health and that of seven Lancashire and Yorkshire towns :

*Recorded Death-Rates*, 1891, *per* 10,000 *living*.

| | Total. | Phthisis. | Diseases of Respiratory System. | Diseases of Nervous System. |
|---|---|---|---|---|
| Three Agricultural Counties . . | 164 | 12 | 30·4 | 23·4 |
| Seven Factory Towns | 244 | 19·3 | 63·3 | 31·4 |

The second illustration is from a more complex group of statistics ; but the calculations are later, and therefore more carefully corrected.[1] These show that—as compared with a general mortality figure of 1000 for all males aged 25-65 years in England and Wales, in the years 1900-2—clergymen, priests, and ministers reached only 524, barristers and solicitors 750, while the industrial groups ran up to double the average—2235 in the case of "general labourers." This, of course, does not measure so much the direct as the indirect and selective effects of the occupation : it is a group of poverty-stricken weaklings. Dr Tatham describes the recorded mortality of non-agricultural

[1] Part II. of Supplement to the 65th Annual Report of the Registrar-General, 1908, "On Mortality in Certain Occupations in the Three Years 1900-1-2," by Dr John Tatham.

labourers as "enormous" at all ages. This is shown in the following almost incredible figures:

*Mortality among Labourers*, 1900-2
(*as Percentage of that of Agricultural Labourers*).

| | Age 15– | Age 20– | Age 25– | Age 35– | Age 45– | Age 55– | 65 and over. |
|---|---|---|---|---|---|---|---|
| Labourer in Agric. Districts | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Platelayer, Navvy . . | 187 | 114 | 112 | 134 | 131 | 132 | 72 |
| General Labourer in London | 232 | 230 | 339 | 427 | 365 | 229 | 79 |
| General Labourer in Industrial Districts . . | 332 | 292 | 405 | 554 | 498 | 366 | 177 |

Another of Dr Tatham's tables shows the mortality from phthisis and respiratory disease in occupations subject to this penalty. The figure rises from 171 among agriculturists, to 285 among coal-miners, 320 in the wool manufacture, 415 in the chemical trades, 422 in the cotton manufacture, 551 among glass workers, 712 among file makers, 758 among pottery workers, and at last reaches the appalling point of 1557 in the small group of tin miners.

In the most literal sense, industrial anarchy meant disease and death. Whether it went as far as national degeneration was a problem often discussed by sanitary inspectors, certifying surgeons, and others who knew closely the lives of the poor. The reports of the factory inspectors give us the impression of a few men heroically trying to grapple with a gigantic evil which constantly assumed new forms. The textile factory was bad enough;

but "occupations infinitely more unhealthy, and labour twice as hard physically, are to be found in the factories brought under our inspection by the Acts of 1864 and 1867," Mr Redgrave wrote in 1870. "For instance, I know of no cotton factory in which young persons have to endure a temperature of 120 degrees, as they have in the 'stove' of a pottery. I know no actual labour more severe than that of a fustian cutter; and I know no occupation more deadly than that of a millstone cutter. In these, and perhaps a hundred more, an hour's less labour a day would be the gain of a year's life." The places now brought into review were overcrowded, dirty, dark, and squalid, compared with the great mills of the cotton and woollen trades. "We see on most Mondays, at all events far too frequently," said Inspector Baker, "listless and hungering industry staring idle drunkenness in the face, not daring to indicate dissatisfaction with a state of things that renders homes desolate, and perpetuates the ignorant and evil natures that inhabit them. We marvel to see women at the anvil and forge; men nursing while the wives toil for the weekly wages; and infants everywhere mewling in the arms of other infants very little older than themselves, till one begins to think that the old, old days of factory labour have returned, and wonder whether what we see can possibly exist in the advanced period of 1872." One report of this period showed 18,706 women engaged in what the inspector called "unsexing

and degrading" work in blast-furnaces, iron mills, foundries, nail, rivet, and bolt making, chemical works, match, cartridge and powder factories. The effects of factory work upon mothers was constantly enlarged upon. The excess of lung and other diseases was traced to the prevalence of dust, gas, and overheating; "phossy jaw," lead, arsenic, and mercury poisoning, and "poucy cough" attracted more and more attention. We have evil visions of little boys and girls carrying about inconceivable loads of clay in the brickyards, of "a class of men of the lowest habits, abandoned to drink and godlessness, rearing children to slavery, vice, and premature graves." George Smith of Coalville trumpeted the wrongs of 70,000 children on canal boats.

## II. The "Sweating System"

But the most characteristic discovery of the time is what was called the "Sweating System" —very inappropriately so called, for the ills thus collocated were most various and essentially unsystematic. Nor were they new—witness Charles Kingsley's pamphlet, *Cheap Clothes and Nasty*, and his novel, *Alton Locke*. Sub-contracting in the manufacture of army and navy clothing seems to have been long in practice, and to have spread to the ordinary ready-made and "bespoke" trade, in which the master-tailor had hitherto

always been the employer, whether the work was done in his own or outside workshops. The word "sweating" was now understood in a wider sense. It appears in the factory inspectors' reports first in 1874, in a reference to the sewing trades at Norwich. The sewing-machine is one of the inventions that only slowly became effective. Originally mooted near the end of the eighteenth century, the first good model was produced in 1830, and an improved form in 1845, by a poor French tailor named Thimmonier, who, like so many other benefactors of the kind, died in poverty. Two Americans, Hunt and Howe, followed; and, in 1850 and 1851, A. B. Wilson and I. M. Singer secured their respective patents. Hundreds of varieties of machine adapted to different materials were presently elaborated; and to some of these, during the 'eighties, steam and gas power was applied.

It is important to note that the sewing-machine, though not unworthy of comparison in some respects, differs from other leading instruments of the Industrial Revolution in being, on the whole, a distributive, rather than a concentrating, agent. It has transformed the boot and shoe manufacture, but, while great factories have grown up in Northampton, Wellingborough, and other centres, machine-sewn boots are also made in workshops of every size; and in the clothing trades the sewing-machine has been a principal factor in the growth of home-work and of "sweated" occupa-

tions generally. "Villages heretofore silent," Mr Lakeman wrote in 1874, "are resounding with the buzz of sewing-machines and shoe-clicking. Machinery has been applied to cocoa-fibre weaving, to clothing, and, most surprising of all, to horse-hair weaving. So great has been the increase in the preparation of materials by the application of improved machines that, wherever farm labourers can be induced to come into towns, there employment is given them. A fortnight's probation can turn out a shoe-clicker, and a girl can make a coat after three weeks' trial." In 1877, Mr Henderson observed that the sewing-machine had made London "a great manufacturing community"; and it was thought that the inspection and regulation of its season and irregular trades would prove easier than had been expected. This optimism was quickly dispelled, as the attempt to administer the Act of 1878 brought the inspectors into contact with the "chamber-masters" and "greeners" of Whitechapel, Spitalfields, and Shoreditch, and the dressmakers of St George's and St James's. In 1880, there were estimated to be two thousand workshop occupiers in East London, employing an average of eight hands apiece. Many of these were immigrant foreigners, chiefly Jews. The workshops were commonly found to be small, crowded, very dirty, overheated, and unventilated. Wages were shockingly low; hours were long and irregular, and the workers so ignorant and servile that the inspectors could get

little help from them. In the West End dressmaking, a minority of saleswomen and showroom hands were found to be relatively well treated, though they were tied to the drapers' premises under a singular pseudo-paternal rule. The lot of the majority of milliners and dressmakers approached more nearly to that of the "sweater's" victims; and many tragic stories were told in ironical answer to the woman suffragists who pleaded the principle of "individual liberty." It was at this time, too, that the serfdom of the shop-assistant first began to attract notice.

A public alarm as to infection from "sweated" garments having passed away, the question was overshadowed by the kindred, but more clamant, problems of male casual labour (as at the docks) and of unemployment in general; until, in 1888, on the proposal of Lord Dunraven, a Select Committee of the House of Lords was set up to examine the condition of the tailoring, shirt-making, boot-making, furniture, and other trades in which sub-contracting was believed to lead to peculiar oppression. The Committee heard 291 witnesess, and presented its final report in 1890. Meanwhile, Mr Charles Booth had initiated the great scientific investigation of London poverty to which I shall refer again hereafter. Mr Booth's fourth volume (with its contributions by Miss Beatrice Potter, Miss Clara Collet, Mr D. F. Schloss, and Mr Aves), and the reports of the Lords' Committee, at length placed the phenomena of "sweating" in a clear

light. The first result was to destroy the legends that had grown about the subject. Good, kind souls had invented a new devil, named the Middleman, and he was widely supposed to be the author of all the mischief. It now appeared, in the words of the Committee, that middlemen were "absent in many cases in which the evils complained of abound"—where materials were given out direct to the workers by large employers; that they were common where there was no sweating; that, where the middleman was found in a sweated trade, he commonly worked as hard as the little master or his hands; and that "the middleman is the consequence, not the cause, of the evil." "There is no industrial system co-extensive with the evils complained of," Mr Booth wrote, "although there is, unfortunately, no doubt at all that very serious evils exist. It is not one but many systems with which we have to deal, each having its special faults."

There was the practice of the wholesale clothiers who, instead of hiring workpeople themselves, contracted with some one to do so, materials being provided and prepared by the wholesale house. This "sweating" in the clothing trades "without doubt facilitates a very acute form of competition," even if the sub-employer carries out the contract in his own workshops; for the regularizing influence of the great factory is lacking, and the contractor's interest is solely to reduce wages. Secondly, the intermediary may only distribute and collect

the work, or superintend only a part of it; this is "the sweating system as it applies more particularly to female home-workers." Thirdly, the wholesale house does not order beforehand, but buys the goods from the makers as it wants them —for instance, in cabinet-making—a plan which "may be made a terribly efficient engine of oppression." Fourthly, "to take quite another field, if the small master is able to obtain a constant supply of learners (usually poor foreigners) who, as 'greeners,' will work long hours in return for bare keep, and so reduce the cost of production, the result is to aggravate competition and depress regular wages. This is the sweating system as it applies to foreign immigration, perhaps its most intense form. Finally, if systematic deductions are made from men's earnings by labour masters, who can thus pocket any difference that may exist between the authorized pay and the lowest competition-value of the work, we have sweating as it applies to the Docks." [1]

In a large part of this area of economic disease, the following are common features, and it will be seen that they are mutually dependent: (1) *Minute sub-division*, both of (*a*) *capital*, and (*b*) *labour*. (*a*) "The quite small workshop, which is, in truth, no workshop at all, but an ordinary room in an ordinary house, lived in as well as worked in, stands at some advantage over the properly appointed workshop of a larger size. The capital

[1] Charles Booth: *Life and Labour in London*, iv. 330-1.

needed for a start is very small. A few pounds will suffice, and the man becomes a master. It is a natural ambition, and appeals with peculiar force to the Jews. The wholesale houses can take advantage of the competition which arises." (*b*) This is only another way of saying that there is a constant over-supply of unskilled labour, which seizes the opportunity of making a subsistence wage by an easily-learned detail process, but commonly cannot rise to better work. (2) The *irregularity of work* is even worse than the length of hours. It is, says Mr Booth, " by far the most serious trial under which the people of London suffer, and results naturally from the industrial position of small workshops and home-work. High organization makes for regularity: low organization lends itself to the opposite. A large factory cannot stop at all without serious loss; the man who employs two or three others in his own house can, if work fails, send them all adrift to pick up a living as best they can." Irregularity of work, with the demoralization it involves, is greatly fostered by the economic dependence of East on West London, where, to the general fluctuations of the seasons, the weather, and prosperity, are added special fluctuations of fashion and luxury. But it is just in these luxury, fashion, and season trades that (3) *women's work* is most common; and women's work is usually badly paid (10s. a week would be a high average at the time we are speaking of), and is most difficult to

organize, and most liable to fall into squalid servitude, whenever it is unskilled, superabundant, and unaided by men's greater power of resistance. (4) While *competition* is thus rampant within—modified very slightly by workshop and sanitary inspection, an occasional strike, and some promiscuous charity—a community like East London stands in the cross-fire of two kinds of outer competition. Cheap German and other goods, some also the product of "sweating," are imported, by cheap sea-carriage, into the Thames. And, as the men's workshops and the women's garrets compete in one district, so both, with their sewing-machines and other simple tools, are threatened by the more and more powerfully equipped provincial factory. (5) *Immigration*, foreign and provincial, is an important but very complex element in the subject. The outbursts of persecution of the Jews in Russia, in 1881-2, 1886, and 1891, and the Bismarckian edicts against the Poles of East Prussia in 1884, inflicted a terrible burden of poverty upon East London. It was considerably alleviated, and partly removed, by the efforts of the Jewish Board of Guardians and other charitable bodies. A good deal of rubbish was uttered in course of the agitation which at length resulted in the restrictive machinery of the Alien Acts. The poor Jews were law-abiding and industrious, they created trades of their own, and gradually bettered their condition. As Mr Booth said: "the movement of the Jewish immigrants, when

once absorbed into London, is a movement upwards from below." But this effort of "absorption," which was to transform outcasts from Warsaw into British citizens, was required of a community already debilitated by two generations of industrial struggle. Had East London been left altogether to itself, had the United States been barred against the very poorest, as it was soon to be, a deep degradation must have resulted. Of the rural immigrant, we shall speak in connection with the problem of dock labour. (6) Akin to the influence of immigration is what we may call the *deposit of the waterside.* Every great port has its dependency of sailors' wives, widows, children, and old folk, with widows and orphans of fishermen, dock labourers, and other poor workers; and many of these are driven by need into the ranks of the "sweated" occupations.

"Sweating," in brief, is a general name for the exploitation of certain particularly helpless kinds of labour. The immediate "sweater" is commonly one victim among the many, to be pitied like the rest. The ultimate "sweater" is the consumer, that is to say, society itself; and in this sense we may speak of there being a "sweating system." Not that the apparent gain of cheap goods is all real, for there are costs of workhouses, hospitals, charities, sanitary, police, and other administrative services, emigration, education, which such a community cannot meet, and which must be paid for by its neighbours. Nevertheless, it was a just

instinct that led John Ruskin to bring home the main responsibility to the body of well-to-do consumers, who, if they are unable individually to trace the history of their purchases, are all-powerful, as voters, in regard to the policy of the State :

"Who are these poor? No country is, or ever will be, without them, that is to say, without the class which cannot, on the average, do more by its labour than provide for its subsistence. Now, there are a certain number of this class whom we cannot oppress with much severity. An able-bodied and intelligent workman, sober, honest, and industrious, will almost always command a fair price for his work, and lay by enough in a few years to enable him to hold his own in the labour market. But all men are not able-bodied, nor intelligent, nor industrious; and you cannot expect them to be.

"Nothing appears to me more ludicrous and more melancholy than the way people of this age usually talk about the morals of labourers. You hardly ever address a labouring man upon his prospects in life without quietly assuming that he is to possess, at starting, as a small moral capital to begin with, the virtue of Socrates, the philosophy of Plato, and the heroism of Epaminondas. 'Be assured, my good man,' you say to him, 'that if you work steadily for ten hours a day all your life long, and if you drink nothing but water or the very mildest beer, and live on very plain food, and never lose your temper, and go to church every Sunday, and always remain content in the position in which Providence has placed you, and never grumble, nor swear, and always keep your clothes decent, and rise early, and use every opportunity of improving yourself, you will get on very well, and never come to the parish.' All this is exceedingly true; but, before giving the advice so confi-

dently, it would be well if we sometimes tried it practically ourselves, and spent a year or so at some hard manual labour not of an entertaining kind—ploughing or digging, for instance, with a very moderate allowance of beer, nothing but bread and cheese for dinner, no papers nor muffins in the morning, no sofas nor magazines at night, one small room for parlour and kitchen, and a large family of children always in the middle of the floor. . . .

"Let it be admitted that we never can be guilty of oppression towards the sober, industrious, intelligent, and exemplary labourer. There will always be in the world some who are not altogether intelligent and exemplary. . . . These are the kind of people whom you *can* oppress, and whom you do oppress, and that to purpose. You know the words about wicked people are, 'He doth ravish the poor when he getteth him *into his net*. . . .' The nets which we use against the poor are just those worldly embarrassments which either their ignorance or their improvidence are almost certain at some time or other to bring them into. Then, just at the time when we ought to hasten to help them, and disentangle them, and teach them how to manage better in future, we rush forward to *pillage* them, and force all we can out of them in their adversity. For, to take one instance only, remember this is literally and simply what we do whenever we buy, or try to buy, goods offered at a price which we know cannot be remunerative for the labour involved in them. Whenever we buy such goods, remember we are stealing somebody's labour. Don't let us mince the matter. I say in plain Saxon, STEALING—taking from him the proper reward of his work, and putting it into our own pocket." [1]

[1] Ruskin: *The Two Paths*, Lecture V. (1859). Mr J. A. Hobson's *John Ruskin, Social Reformer*, presents a close examination of Ruskin's arraignment of competitive industrialism and the political economy based upon it.

### III. At the Dock-Gates

The case of the London docker was unique only in degree. Throughout the kingdom, the business of transport has undergone a revolution collateral with that of manufacturing industry; and the seaport is the central field and exhibition of the one process, as the factory town is of the other. In both cases, the exploitation of steam power and the new machines depended upon there being at hand a vast supply of floating labour; and the chief sources of this supply were the once prosperous agricultural counties. The feeblest remained behind in the villages. Throughout the century, the stronger poured in unceasing streams into the towns, to fill the gaps made by higher death-rates and lower birth-rates, and to swell more and more the balance of urban populations.

What, on the whole, was the quality of these immigrants? We have seen that the Irish were driven by famine, and that the English villagers were driven by extreme poverty, following upon the stoppage of a demoralizing system of doles. Yet, after as full an investigation as they could make of London circumstances between 1887 and 1892, Mr Charles Booth and Mr H. Llewellyn Smith [1] concluded that "the countrymen drawn in are mainly the cream of the youth of the villages, travelling not so often vaguely in search of work,

[1] Booth: *Life and Labour of the People*, vol. iii. chaps. 2 and 3, by H. Llewellyn Smith, with statistical tables and maps.

as definitely to seek a known economic advantage. So far from finding their position in London hopeless, as is often supposed, they usually get the pick of its posts, recruiting especially out-door trades which have some affinity with those to which they have been accustomed in the country, and, in general, all employments requiring special steadiness and imposing special responsibility. The country immigrants do not to any considerable extent directly recruit the town unemployed, who are, in the main, the sediment deposited at the bottom of the scale, as the physique and power of application of a town population tend to deteriorate." A private examination of the Census papers afforded the chief evidence for this conclusion. It was found that, of every 1000 persons living in London in 1881, 629 were born there, 343 in other parts of the kingdom, and 28 abroad. In East London and Hackney, only 280 per thousand were immigrants, chiefly from the neighbouring agricultural counties. An important element in this influx was that "much necessary town-work cannot be efficiently done by town-bred people"—the whole business of horse traffic naturally tended to fall into the hands of countrymen, and this was largely true of the building and coal trades and railway work. The minute division of labour in London gives the provinces an advantage as a training-ground for all-round men; and Mr Llewellyn Smith believed that there was, therefore, a movement of better workmen

toward London, and of the inferior, who could not earn the higher wage there current, away into the provinces. Despite the various attractions of the great city to the beggar, the odd-jobber, the criminal, the inefficient, and the unfortunate, the inquiry suggested that "it is among Londoners, rather than countrymen, that lack of employment is found." Of 514 dockers, 70 per cent. were found to have been born in London, while two-thirds of the remainder had lived for more than ten years in the Metropolis. It was concluded that, except at Millwall, where there was a distinct excess of country-born labour, there was no perceptible rural influx toward the docks, and that "the major part of London poverty and distress is home-made, and not imported from outside." Londoners decay: "there is thus a vacuum created, and a consequent indraught from around," but this is "a vivifying, not a death-bringing, stream."

This characterization of the rural influx into London contradicted the general impression prevalent at the time; and, at first sight, it does not seem to agree with the results of our historical analysis. In some respects, the statistics were imperfect; in others, they truly represented conditions at the moment only. No one, so far as the present writer knows, has made an adequate study of the history of the structural changes in the population of London. Mr Llewellyn Smith was, perhaps, more closely familiar with the

deterioration of poor life in the Metropolis than in the counties and in Ireland. At any rate, he based his conclusions on the 1881 Census. This was before the rural exodus had reached its highest point; and it was so long after the Irish famines as to bring in as "London born" a good many labourers who were the sons of destitute Irish immigrants. In 1840, there were estimated to be 120,000 poor Irish in London; in 1881, Mr Booth found only 80,609, and they were spread pretty evenly over the whole area.[1] Figures which represent the East End as the home of the essential Londoner are not easy to accept; but this is not the place to discuss them in detail. We note them as the best evidence of the kind available, and pass on to the more certain facts of the waterside situation.

Whatever his pedigree, the docker was undoubtedly an industrial residuum. The Thames

[1] Mr Booth's figures may be summarized thus:

| 1881. | Population. | Per Cent. of Provincial-born. | Per Cent. Provincial- and Foreign-born. | Number of Irish-born. |
|---|---|---|---|---|
| South London . . | 1,265,927 | 34·1 | 35·9 | 24,505 |
| East „ . . | 879,200 | 24·2 | 26·6 | 16,585 |
| North „ . . | 719,485 | 44·4 | 47·8 | 14,706 |
| West „ . . | 669,633 | 37·3 | 40·4 | 16,283 |
| Central „ . . | 282,238 | 30·4 | 33·8 | 8,530 |
| Total . . | 3,816,483 | 34·1 | 36·7 | 80,609 |

trade—badly hit by the altered course of commerce through the opening of the Suez Canal and the development of the out-ports, was already declining when the depression of the 'seventies and 'eighties set in. Every new pressure—of labour to get a better wage, or of shippers to lower freights and to procure more rapid discharge of cargoes—tended to produce greater irregularity of hours, and to make casual labour ever more casual and uncertain. At the West and East India, the London and St Katherine, and the Millwall Docks, Miss Potter (Mrs Webb) [1] found 2,188 regular hands, and an average of 4,011 (swollen from time to time to over 6,000) irregularly employed. The permanent men made about £1. 1s. a week. There would be daily work at 3s. 6d. a day for 3,000 of the irregulars, if it could be spread evenly through the year, and at regular daily hours; but there were 10,000 casual labourers, exclusive of waterside labourers, resident in the Tower Hamlets alone, competing for this work, and every lapse of trade would bring down new swarms of unfortunates to the East End. "From my own observation as a rent collector, and from other evidence, we know that the professional dock labourer (as distinguished from the drift of other trades, and from the casual by inclination) earns from 12s. to 15s. a week, supposing his earnings were to be spread evenly throughout the year. But a large wage one week,

[1] *Life and Labour*, vol. iv. chap. ii.

and none the next, or—as in the case of the wool sales—six months' work and six months' leisure, are not favourable conditions to thrift, temperance, and good management." Sometimes this wage would be reduced by "bribery and corruption necessary to secure employment." "There is"—this was in 1887—"no union for trade or other purposes among dock or waterside labourers; there is even antagonism, or at least utter indifference and carelessness, between the different classes of dock employés," and often, indeed, as to their own condition. "But far more depressing to those who work among these people even than this indifference to their own condition is the sickening cry of the sinking man or woman, dragging the little ones down into a poverty from which there is no arising."

## IV. Voices of the New Spirit

These sentences described the facts as a particularly competent observer saw them, and no one at the moment would have dared to challenge the last words. Yet the docker did rise up from the nether depths; and he was enabled to do so because, at length, the national conscience was awakening to some sense of the nature not only of such a commercial crisis as the country was just passing through, but of the day-to-day costs of the competitive system in the lives of masses of workers practically unable to protect themselves. A great

social revival, the effects of which are still far from being exhausted, had begun. A fine pen and a large space would be needed to do justice to this many-sided movement of thought and feeling which redeemed the last years of the Victorian Era and the nineteenth century, and pointed forward to a re-creation of British society. Here we can but indicate a few of its leading manifestations.

In the first place, there was a striking access of religious activity wherever the Churches came into contact with the poor. The most remarkable sign of this new spirit lay in the rapid progress of the "Salvation Army," founded in 1878 by the Rev. Wm. Booth, and now equipped with meeting-halls, "barracks," shelters, and workshops. Whatever may have been the faults of this clamant propaganda, its courage and self-sacrifice far outweighed them; and the continued vigour of the "Army" after its founder's death shows that it has met a real need. Throughout the religious world, there was a stirring of dead bones. An intellectual challenge must be translated into an ethical challenge if it is to reach the mass of men; and in this case, as ever, heresy produced, directly and indirectly, a crop of good works.

Religious motive of the broadest kind played a large part in the establishment, during the 'eighties and 'nineties, of a number of University and other Social Settlements in the midst of the slums of London and some of the larger provincial cities.

Toynbee Hall, Whitechapel, founded in 1885, "as a memorial of Arnold Toynbee, and a practical outcome of his teaching," was the pioneer and model of these brotherhood-colonies.[1] "Model" is hardly the right word, for experiment was made on different lines, and the developments were very various. It was the good fortune of the Settlement idea to have for its chief apostle a man of such a broad nature, so catholic, so wisely simple, so rich at once in sympathy and common sense, as Samuel Barnett. In the Church he rose no higher than a canonry; and this may have been fitting, for he was no ecclesiastic, and, with his own tabernacle (St Jude's) next door, would have no taint of sectarianism or partisanship of any kind at Toynbee. But no Archbishop of his time wielded a more potent influence or enjoyed more honour. He was a most typically English saint; and the inspiration he gave was infinitely better than the most perfect of model institutions. Indeed, his own later explanation of the "settlement impulse" put distrust of institutions in the forefront of the various factors. "Men at the

[1] Oxford House, Bethnal Green, a distinctively Church of England Settlement (Toynbee was completely unsectarian), was founded in 1885; Rugby House, Notting Hill, and Trinity Court, afterwards Cambridge House, Camberwell, in 1889; Mansfield House, Canning Town, in 1890; the Bermondsey Settlement and Newman House, Kennington (Catholic), and the University Hall, afterwards the Passmore Edwards Settlement, St Pancras, in 1891; Browning Hall, Walworth, in 1894. Several of these have women's branches. The Women's University Settlement, Blackfriars, founded in 1887, was the pioneer on this side.

Universities, especially those who, directly or indirectly, felt the influence of T. H. Green, were asking for some other way than that of institutions by which to reach their neighbours. They heard the 'bitter cry' of the poor; they were conscious of something wrong underneath modern progress. . . . Charity organization societies had taught them not to give doles. . . . The poor law, the chief machine, seemed to have developed pauperism, fostering the spirit which 'bullies or cringes.' Philanthropy appeared to many to be a sort of mechanical figure beautifully framed by men to do their duty to their fellow-men." [1]

So, among a few finer-minded men and women of the comfortable classes, a desire arose to give not money, but themselves, to become neighbours of the unfortunate, and this not simply to teach them (Barnett saw the deadly peril of priggishness, from the first), but to learn from them, to serve them and with them, to make friends and do neighbours' duty where it is least romantically attractive. For six centuries, the work of individual churches and individual reformers apart, this Franciscan ideal of the fraternal life had never been placed on a large scale before the people of England. Now, a number of centres of light were springing up in the darkest places, club-houses where fortunate

[1] *University and Social Settlements.* Edited by W. Reason, M.A. See also *Practical Socialism*, by S. A. and Henrietta O. Barnett (1888). This volume contains the address, delivered at St John's College, Oxford, in Nov. 1883, which led to the foundation of Toynbee Hall.

and unfortunate could meet in perfect frankness and equality. Barnett thought the two chief results, fifteen years later, were to have mitigated class suspicion, and to have helped to inspire local government with a higher spirit. But, weak as they are in proportion to their task, the Settlements have touched life and stimulated it at so many points, their clubs and classes, excursions, picture shows and investigations, their poor men's lawyers and nurses and visitors, their ties with every kind of beneficent local activity, make so gallant a show of unselfish effort, that we shrink from any kind of measurement. The fruits of humanism are beyond measure and beyond price. When the great dock strike broke out there were at least two places in East London where the combatants could learn that there is something real and precious in those shockingly misused names, "gentleman," and "Christian."

In these and kindred minds, the spirit of Kingsley and Maurice, of Carlyle and Ruskin, Browning and Arnold, Swinburne and Morris, was distilled to what Barnett once called a passion of patience. There was a strong scientific tincture in the movement, and sentimentality was generally decried. But it rejected definitely the partial science of the orthodox political economy, and, with particular decision, its philanthropic department. "'Scientific charity,'" said Barnett, "or the system which aims at creating respectability by methods of relief, has come to the judgment,

and has been found wanting. The outcome of scientific charity is the working man too thrifty to pet his children, and too respectable to be happy. . . . Those who care for the poor see that the best things are missed, and they are not content with the hope offered by 'scientific charity.' No theory of progress, no proof that many individuals among the poor have become rich, will make them satisfied with the doctrine of *laisser faire;* they simply face the fact that, in the richest country of the world, the great mass of their countrymen live without the knowledge, the character, and the fulness of life which are the best gift to this age, and that some thousands either beg for their daily bread, or live in anxious misery about a wretched existence."

Out of a population of 70,000 in Whitechapel, in the winter of 1885-6, about one-fifth, exclusive of the Jewish community, applied to the Mansion House Relief Fund. In St George's, East, of a population of 50,000, 29 per cent. applied. In Whitechapel, only six out of 1700 applicants were members of a benefit club. In Stepney, among 1000 applicants, there was only one member of a trade union. In the Tower Hamlets, with a population of half a million, the applicants represented nearly 87,000 persons. Facts like these challenged a wholesale revision of the current economics; but what they first demanded was scientific examination, and this became another leading note of the time. On every hand, writers entered

the slums, and told what they saw; some of these narratives were merely sensational, yet they stirred the public interest without which nothing could have been done. At the same time, in the efforts of a few scattered individuals and groups, the basis was laid of a real school of descriptive sociology. The largest single contribution was that of Mr Charles Booth and his brilliant band of investigators, whose inquiry into London life and labour during the last two decades of the century occupied seventeen years (1886-1902), and filled as many volumes.[1] In later years, Mr and Mrs

[1] The first volume of *Life and Labour of the People in London* was published in 1889, the second in 1891. Mr Booth then expected to complete his work in four volumes! The ground covered by the work is as follows:

*First Series*: *Poverty*: Vol. i., East, Central, Outer North and South London described. Vol. ii., London, street by street, with statistics of poverty. Vol. iii., Model dwellings, influx of population, the Jewish community, children and education. Vol. iv., East London "sweated" trades. *Second Series*: *Industry*: Vol. i., General classification: Building trades, wood and metal workers. Vol. ii., Precious metals, watches, instruments, glass, chemicals, etc., printing and paper, textile trades. Vol. iii., Dress, foods, drink, dealers and clerks, transport and other labour. Vol. iv., Professional, domestic service, institutions, etc. Vol. v., Comparisons: Crowding, poverty, occupations. Survey and conclusions. *Third Series*: *Religious Influences*: Vol. i., Outer North and East London. Vol. ii., Inner North, East, and West Central. Vol. iii., The City and West End. Vol. iv., Inner South London. Vol. v., South-East and South-West. Vol. vi., Outer South London. Vol. vii., Summary of religious influences. *Final Volume*: Social influences. Conclusion and Summary.—The work contains many maps, some coloured. The last page concludes with the following noble aspiration: "May some great soul, master of a subtler and nobler alchemy than mine, disentangle the confused issues, reconcile the apparent contradictions in aim, melt and commingle the various influences for

Sidney Webb, with their studies of trade unionism, the poor law, and local government; Mr Joseph Rowntree and Mr Sherwell, with their analyses of the drink problem; Mr A. L. Bowley and Mr G. H. Wood, with their collation of wage statistics; the founders and teachers of the London School of Economics, and the Sociological Society, and individual workers too numerous to mention, have carried on the impulse.

The Fabian Society, founded in 1883, is a bridge between these scientific studies and definitely political activity. It sprang from a small group of young, middle-class idealists who had been attracted by the teaching of the late Professor Thomas Davidson of New York. Davidson, a more distinctly intellectual and ascetic type than Barnett, hoped much from the formation of communities to live the "higher life." This "Fellowship of the New Life" was also strongly influenced by Wm. Morris, Whitman, and Edward Carpenter. George Bernard Shaw and Sidney Webb brought into it a more concrete spirit; but what really determined the opportunist and reformative development embodied in the Fabian Society was the demand of the time for a lead toward a new practical statesmanship. The Society declared its aim to be "the reorganization of society by the emancipation of land and industrial capital from individual and class ownership, and

good into one divine uniformity of effort, and make these dry bones live, so that the streets of our Jerusalem may sing with joy."

the vesting of them in the community for the common benefit." Its early "tracts" are strongly marked with the spirit of Shavian mockery.

"Under existing circumstances, wealth cannot be enjoyed without dishonour, or foregone without misery. . . . The most striking result of our present system of farming out the national Land and Capital to private individuals has been the division of Society into hostile classes, with large appetites and no dinners at one extreme, and large dinners and no appetites at the other. . . . Under the existing system of leaving the National Industry to organize itself, Competition has the effect of rendering adulteration, dishonesty, and inhumanity compulsory. Since Competition among producers admittedly secures to the public the most satisfactory products, the State should compete with all its might in every department of production. Such restraints upon Free Competition as the penalties for infringing the Postal monopoly, and the withdrawal of workhouse and prison labour from the markets, should be abolished. . . . The State should compete with private individuals—especially with parents—in providing happy homes for children, so that every child may have a refuge from the tyranny or neglect of its natural custodians. . . . Men no longer need special political privileges to protect them against women. . . . The established Government has no more right to call itself the State than the smoke of London has to call itself the weather. We had rather face a Civil War than such another century of suffering as the present one has been."

This was "Tract No. 2" (1884). Tract No. 3 (1885) consisted of "A Suggestion and a Warning to Provident Landlords and Capitalists." As the establishment of Socialism in England would mean

"nothing less than the compulsion of all members of the upper class, without regard to sex or condition, to work for their living," they were solemnly advised, in order "to avert conditions so frightful and unnatural to them," to set up a peasant proprietory, as "the peasant proprietor, having a stake in the country, will, unlike the landless labourer of to-day, have a common interest with the landlord in resisting revolutionary proposals." These and other squibs were presently withdrawn; and the Society settled down to the production and circulation of *Facts for Socialists*, *Facts for Londoners*, and detailed programmes of reform. *Fabian Essays* (1889), by G. B. Shaw, Sydney Olivier, S. Webb, William Clarke, Hubert Bland, Graham Wallas, and Annie Besant was one of the most stimulating publications of the time; and the Society counted for much, directly and indirectly, in the early work of the London County Council.

This was not the only formal expression of the growth of definite Socialist opinions. The Social Democratic Federation, formed in 1884 under Mr H. M. Hyndman, had the advantage of a certain direct connection with the working classes, and of an able and devoted knot of leaders; but it never attained a strong position in British political life, perhaps mainly because of the very quality which distinguishes the British from the German mind. Karl Marx, long after his death, it is true, came to exercise a considerable private influence

upon advanced economic thought in the land of his exile; but his strict disciples did not gain anything from it. They were too much filled with an economic dogma, too little with the need of a political up-building.[1] Shortly after the formation of the Federation, a number of followers of William Morris, democratic, artistic, and eminently peaceful anarchists, broke off and formed the short-lived Socialist League. The Federation ran three candidates in the elections of 1885, and they polled a total of 657 votes, most of these going to Mr John Burns in Nottingham. The Independent Labour Party, led by Mr Keir Hardie, at length gathered together, in 1893, a number of lesser groups; and this proletarian body united, in February 1900, with the Fabian Society and some of the most powerful trade unions to create a Parliamentary Labour Party which, six years later, had thirty representatives in the House of Commons. After a lapse of a quarter of a century, Christian Socialism was revived, in the form of the Guild of St Matthew, in 1877; but this has

[1] Mr J. R. Macdonald, M.P., pre-eminently the statesman of the newer British Labour Movement, puts it thus: "Socialism cannot succeed whilst it is a mere creed; it must be made a movement. And it cannot become a movement until two things happen. It must be the organizing power behind a confluence of forces each of which is converging upon it, but not all of which actually profess it as a consciously held belief; it must also gain the confidence of the mass of the working classes. The Social Democratic Federation neglected both these tasks" (*The Socialist Movement*, p. 234). A very British point of view!

been a spirit far wider in its growth than any organization.

No recital such as this would be complete which did not note the remarkable effect of the publication of Henry George's *Progress and Poverty*, and of the lectures which he delivered in England and Scotland in 1884. A poor American journalist, George enjoyed a rare command of both the written and the spoken word; and both the book, first privately printed in San Francisco in 1879, and the speeches, had an immense success. The gospel of "the land for the people," its logic warmed by many an echo of the old Hebrew prophets, resumed in some sort the long-forgotten heroic campaign of Spence, Cobbett, and the early reformers; and the idea probably gained force by the neglect of the land question during the Victorian era. The alienation of the people from the soil was a manifest fact capable of all manner of injurious interpretation and effective illustration; and George's argument that private property in land was essentially different from other kinds of property, and dominated all others, that nationalization of the land would completely solve the social problem, and that the way to begin was to throw the burden of taxation on to land values, appealed to many who had no patience for Marxian Socialism. *Progress and Poverty* was soon circulating in hundreds of thousands of copies. Ruskin was among those who welcomed its author on his arrival in 1884. In many places public

halls were refused; but the boycott only increased George's popularity. A Land Reform Union had already been formed to spread his doctrine, and, re-christened the English Land Restoration League, this body has maintained a continuous activity. In economic history, Henry George will probably be best remembered as the first well-known modern teacher to base himself upon a downright contradiction of the Malthusian "law" of population.

We have separated these several lines of heretical thought and unselfish endeavour that gave a new tang to the atmosphere of the early 'eighties; but, in fact, they were all mingled, one idea or experiment crowding upon another, and finding, incompatible as many of them were, a welcome in young minds hungry for the confirmation of a vague hope. The Liberal Government, captive in Egypt and Ireland, missed the signs of the time —except Mr Chamberlain, who found applause in talk of "ransom" and the "Unauthorized Programme." What, he asked, are the rights of property? "Is it a right of property which permits a foreign speculator to come to the country and lay waste two hundred miles of territory in Scotland for the gratification of his love of sport? Are the game laws a right of property? Is it a right of property that sailors should be sent to sea to pursue their dangerous occupation without any sufficient regard for their security? Is it an essential condition of private ownership of land that the agricultural labourers in this country,

alone of civilized countries, should be entirely divorced from the land they till, that they should be driven into towns to compete with you for work and to lower the rate of wages, and that, alike in town and country, the labouring population should be huddled into dwellings unfit for man or beast?"[1]

Such were the questions men asked themselves, in high places and low; and no man was more in tune with the feeling of the country than the same leader when he added: "We are told that this country is the paradise of the rich: it should be ours to see that it does not become the purgatory of the poor." We are now in a position to understand what at the time seemed the miracle of the resurrection of the docker.

## V. Resurrection

A new note of alarm, bordering on panic, was added, on February 8, 1886, to the rising murmur of public discussion. After a meeting of "unemployed" in Trafalgar Square, which had been addressed by Messrs Hyndman, Champion, and Burns, a mob marched up Pall Mall and St James's Street, throwing stones through the windows of the principal clubs, and wrecked and pillaged a number of shops in Piccadilly and South Audley Street. The fit of violence worked off, the rioters were easily dispersed in Oxford Street by a small body of constables. Two days later, telegrams

[1] Speech at Birmingham, January 6, 1885.

were received in the West End that mobs were marching from the East, and the police advised shopkeepers to prepare for attack. Nothing happened beyond some stone-throwing; but the new Government, sharing the scare of the tradesmen, announced its intention to prosecute the Socialist leaders. Burns, Hyndman, and Champion were duly charged with incitement, and committed for trial by the Bow Street magistrate on March 3, but were acquitted without hesitation by the jury at the Central Criminal Court. In the interval, over £78,000 had been subscribed in response to an appeal of the Lord Mayor for the relief of distress in London; the distribution of this fund was regarded by experts as affording a particularly vivid illustration of the evils of promiscuous charity.

During the following autumn, there were more meetings of unemployed; and on November 13 (afterwards called "Bloody Sunday"), a body of Radical and Socialist demonstrators, endeavouring to reach Trafalgar Square, which had been closed, were met and broken up by police and Life Guards. Many persons were injured, and two died. For breaking through the police line, Burns and Mr Cunninghame-Graham, M.P., suffered six weeks' imprisonment. In February 1888, Lord Dunraven declared in the House of Lords that "no slaves were in so unhappy a condition as these [sweated] free citizens of a free city," and obtained his Select Committee. A few months later, a strike

of match-girls relieved the grey hopelessness of the East End; the Sailors' and Firemen's Union was formed; and the first London County Council was elected, Burns being one of a strong group of members committed to a programme of municipal collectivism. About the same time, Mrs Besant and the Rev. Stewart Headlam were establishing on the London School Board the principle of a "fair wage" clause in contract work, which later became the general policy of local government bodies. It was during the first vacation of the County Council that the great dock strike broke out—a momentous accident, for a County Council holiday meant a holiday for John Burns. Another governing factor in what followed was the beginning of a revival of trade; yet another was the success of a new kind of democratic journalism, in the shape of the *Star*, an evening newspaper under the editorship, successively, of Mr T. P. O'Connor and Mr H. W. Massingham. Labour had, at length, a mouthpiece in the daily press.

Mr Ben Tillett had made in 1886 the first attempt to organize the East London dockers; but, after running a fruitless strike at Tilbury Docks, his Tea Operatives and General Labourers' Union dwindled to some three hundred members. In May 1889, Tillett joined with Burns and Tom Mann in forming a Gas Workers' and General Labourers' Union, which promptly secured a reduction of the working day in the London

gasworks from twelve to eight hours. Thus encouraged, Tillett went back to the dockers, and on August 13, 1889—the men forcing their leader's hand—a small dispute at the South-West India Dock was made the occasion of a demand, sent by letter to the directors, that henceforth no man should be taken on for less than four hours at a stretch, and wages should be raised to 6d. an hour, and 8d. for overtime. Now all the combustible material whose accumulation we have traced seemed suddenly to take fire. Within three days, ten thousand unskilled labourers on the north riverside, together with the two unions of stevedores (the superior dockers of the export trade), had struck in sympathy. A week later, practically the whole work of the port was at a standstill. Tillett had called Burns and Mann to his aid; and these three men organized and dominated for ten weeks a campaign so vitalized by a great issue, and so full of dramatic incidents, that it held the breathless attention of the whole English-speaking world.[1] By sheer genius of leadership, the Battersea engineer became the unquestioned generalissimo of a ragged army which assembled

[1] *The Story of the Dockers' Strike*, by H. Llewellyn Smith and Vaughan Nash, with an introduction by Sydney Buxton, M.P. (1890), makes even to-day more interesting reading than many war narratives. It is significant that Mr Burns, the hero of the story, succeeding Mr Buxton, is now President of the Board of Trade, and the first Socialist or Labour leader to attain Cabinet rank; while Sir H. Llewellyn Smith is head of the Labour Department, and Mr Nash is Vice-Chairman of the Development Commission.

daily on Tower Hill, and followed his straw hat in innumerable processions. It was said that Burns had bewitched London: certainly, his good relations with the police, his iron physique, his humour, his complete command of many thousands of rough men who had never before followed a leader or held to an organization, were prime factors in the victory that opened a new chapter in British industrial life.

There were two other things without which the day and night toil of these leaders in organizing food supplies and keeping their followers out of mischief would have been fruitless. The first was the enthusiastic support of the general public, which operated in three ways: it made it impossible for the dock directors to enlist any large number of "blacklegs"; it cowed them into submission to a Mansion House Conciliation Committee, of which Cardinal Manning, Mr Buxton, the Lord Mayor, the Bishop of London, and Lord Brassey were the leading members; and it secured subscriptions enough to maintain an elaborate system of strike pay under which 440,000 relief tickets were issued. The second, and relatively more generous, intervention was that of the Australian people, who have since proved themselves in many ways as pioneers of democratic experiment in the Empire. It is remarkable that, of a total strike fund of £48,736, the general public at home contributed £13,730, the Colonies cabled no less than £30,423, while the British trade unions (apart from those in

London, which had members to maintain) subscribed only £4,473.

When due allowance is made for the poverty of the old unions at the end of a prolonged period of bad trade, it is evident that a break of sympathy mainly accounts for this result. The dashing campaign of a little band of Socialists was not at all to their taste. Burns, Mann, and other of these young agitators had challenged the rule of the Parliamentary Committee root and branch, its Liberal principles, its timid strategy, its stolid self-satisfaction. At successive labour congresses, from 1885 onward, the clash of the two schools resounded. Now the formal ground of combat would be the eight-hours' day, anon the nationalization of the land, and yet again the establishment of a standard minimum wage by State action. But behind the discussion of these questions there lay a deep difference of outlook and experience. The "old gang," as they were dubbed, saw themselves solely as trustees for a great group of combinations that had emerged from the trade crisis like so many once-brave vessels now battered and waterlogged. To them, the Socialist programme appeared at such a moment to be stark madness. The substantial artisan they understood; the industrial residuum was nearly as unfamiliar to them as to some middle-class explorers. The idea that the provident funds on which all their own victories were based could be dispensed with, and even regarded as an obstacle to

the formation of a fighting union, revolted them.

The series of developments which we have just traced could not, however, be long ignored or gainsaid. The example of the match-girls and the dockers was too eloquent to bear mere contradiction. "The full round orb of the dockers' tanner" illumined the whole social horizon. A month after the strike, the new union counted 30,000 members, and was spreading overseas, as well as in the provinces. Not only were fresh societies started, with low contributions and markedly political aims: the old organizations felt the impetus. Within a year, the trade-union ranks were swollen by the accession of 200,000 new members; and wage-sheets began to show the result. It now became evident that the public interest and sympathy which had followed the "sweating" inquiries, and had sustained the dockers' revolt, was no mere flash of sentimentality, but a far-reaching change of heart and mind. The invisible forces which created the "Progressivism" of the London County Council, and pressed Mr Gladstone forward into the "Newcastle Programme" of 1891, could not be shut out of the counsels of the "aristocracy of labour." Henry Broadhurst, George Shipton, and other leaders admitted a modification of their views; the Society of Eingineers revised its constitution to allow of the entry of all branches of the trade; the policy of federation was resumed; a new

cordiality was shown toward women in industry, and toward the workers of other lands.

The economic recovery which began in 1888 received a somewhat sharp check in 1890, when export trade, in particular, was pinched, and the great banking house of Baring was saved only by means of a guarantee fund, headed by the Bank of England, with borrowings from France and Russia. A series of strikes and lock-outs in the building, cotton, dockside, coal, and engineering trades followed. The sceptics had prophesied that the "new unionism" would collapse on the first serious trial. The position of the waterside combinations was evidently precarious. Could this hitherto hopeless mass of demoralized humanity be held together? If the advance could be maintained in London, it might be lost in the provinces; or, if lost on the Thames, it might be gained elsewhere. For the large ports are more self-contained and isolated than other industrial centres, and their conditions vary widely. The question came to the test of battle in Hull, during the summer of 1893. A few enlightened employers had regarded recent developments with a benevolent eye. "I should like the power of the Unions to be stronger," said Colonel Birt, General Manager of the Millwall Docks. "All the little difficulties we have are from the men who break the rules of the Union. I should like to see the executive stronger." [1]

[1] Labour Commission, 1891-4, *Digest of Evidence*, Group B, vol. i. p. 48.

But the majority viewed the goings and comings of Mr Tillett, Mr Mann, and their emissaries through the eyes of ancient prejudice; and it was eminently as a belligerent body that the Shipping Federation, Ltd., was formed in 1890. The great strategic idea of Mr G. A. Laws, its general manager, was the establishment at all ports of "Free Labour Registries," under the employers' control, offering preferential employment, and, where these did not succeed in destroying trade-union resistance, the introduction of gangs of strike-breakers. The promise of preference of employment appears to have been first made during a strike against the Shaw, Savill and other companies in London in December 1890. Soon afterwards, the Federation was ready to carry its levies here, there, and everywhere, for the purpose of defeating rebellious natives; and the number of disputes in which it involved itself rapidly grew. All over the kingdom, it came to be regarded as the implacable foe of labour, a combination, as Mr Tillett and other witnesses told the Labour Commission, "to boycott Unions in connection with the shipping trade, to lower the wages of seamen, and employ foreign or casual workmen, or outsiders, non-unionists, to introduce new labour into particular districts, and to carefully honeycomb the Unions, and prevent them from getting a chance." Mr Clem Edwards charged the Federation with having armed its "free labourers" with revolvers, and having "deliberately gone into the agricultural districts,

and even to the Continent, in search of men, in spite of the misery caused by the already overcrowded condition of the labour market." In reply, Mr Laws claimed the right to engage men anywhere and to import them for his clients; he urged, also, that the law of "picketing" should be amended to make "moral intimidation illegal," and that "it should be illegal to strike for the purpose of preventing 'free' labour obtaining employment."

The example of the "Pinkerton men" of America was not needed to teach a later generation that discussions of terms like "free labour" are only useful in proportion as they reflect the facts of everyday industrial life. For the greater part of a century, England had lain under the dominance of the *laisser-faire* principle. True, the skilled trades had been reluctantly allowed to tighten the bonds of unionism through wide ranges of industry; but, though these "old" unions decidedly limited the liberty of the employer to "do what he liked with his own," they exercised their power gently, and they gave him in return a regiment of labour ready organized, and capable of enforcing upon its members sliding-scales of wages, shop rules, and arbitration agreements. Lawyers, doctors, and other professional men enjoying the fruits of carefully preserved and regulated status, might be expected most quickly to recognize the inevitable trend both of labour and capital toward self-organization. But we must remember that a

passion of hope in one quarter may excite a passion of fear and denial in another. In these feverish days the issue was obscured by the fact that neither side dared to state fully its logical aim. Trade unionism necessarily involves a struggle against non-union labour, as cartel-capitalism involves the suppression of competitors. No workman would pay union fees if men not paying such fees got as good conditions ; and general experience shows that it is only when combined that routine labour gets its due share of the product. But the exclusion of non-union labour was not, and could not yet be, raised to the dignity of a principle by the Dockers' Union. So, too, Mr Laws could hardly be expected to put into quite plain terms his economic atomism. In fact, however, the waterside labourer was asked to tolerate not alone the individual who, whether from genuine scruple or perversity, refused to join the great body of his fellows, and yet managed to reap the advantage of their sacrifice; he had to stand by and see this individual sought out and permanently hired by a syndicate of employers formed for the express purpose of weakening his own combination. What the Hull strike, uncomplicated by any wage question, made clear was that the waterside workers did not want this sort of "freedom," and that, wherever they were strong enough, they would refuse to have it forced upon them. They were men of a distinctly better grade than the London dockers, and a large majo-

rity—some 10,000—were enrolled in various unions.

On March 20, 1893, a Shipping Federation registry was opened in Hull, with the usual promise of preferential employment. All and sundry out of work—and there must have been many such in a population of 200,000—were invited to apply for engagement. After a lapse of a month, only some three hundred men answered the call. This is the essential fact, to which the rest is only a sequel. On April 5, the Federation began to import "blacklegs." It had already refused in any way to recognize the Dockers' Union or its officials. On April 6, the men were polled by ballot, and voted, by 3500 against 5, for a strike. Two days later, the port was blocked, unionists and non-unionists, dockers, lightermen, seamen, and coalies, all leaving work in protest against the foreign invasion. For six weeks, while overtures of peace from civic authorities, justices, and religious leaders were being rejected by the Federation, the attention of the whole country was drawn to the quiet heroism and loyalty of this hungering community. The sense of Mr John Burns, and of Mr F. Maddison and other local leaders, prevailed against a foolish threat from London of a national strike; instead, financial aid was poured into Hull by unions throughout the country. At length, a compromise was arrived at, it being agreed that neither registration under the Shipping Federation nor membership of any union should

carry with it "either preference or prejudice in regard to employment." Neither side could claim a complete victory; but labour won the only honours, and "union-smashing" was seriously discredited.

## VI. Organization

With this episode, the period of acute disturbance which began with the commercial crisis of 1875 may be said to have closed. In tracing the events of the following years, the political historian will have to speak of events at home and abroad—the retirement and death of Mr Gladstone, the later phase of the Irish Question, the Armenian atrocities, the Jameson Raid, the rout of the Mahdists, the scramble for concessions in China, the growth of a new Imperialism, and the South African War—which absorbed much of the time of Parliament, and radically affected the spirit of the two great parties. Under the surface of political life during these years, there was going on, almost unseen and unheard, a vital process of assimilation. Instinct, tradition, some broad impulse may carry a nation, as they may carry an individual, through an emergency; but principles, vaguely realized perhaps, yet rooted in reality, are essential to its permanent growth. The whole economic and ethical code which had inspired the late Georgian and early Victorian reformers was now in solution. A number of

startling new ideas had arisen, as to the lasting value and practical outcome of which none but dogmatists could be sure. The Social Democratic Federation had already sunk into the background; but newspaper readers could not fail to remark that Prince Bismarck and the young Kaiser had no scruples about embarking upon large projects of bureaucratic Socialism. The least that this new national temper demanded was more information and sober experiment.

The Sweating Committee of 1889-90 was followed by the International Labour Conference in Berlin, summoned by the Emperor William, and this, again, by the Labour Commission of 1890-4, presided over by Lord Hartington. In course of this last inquiry, the most extensive of its kind ever yet attempted, 583 witnesses were examined, and almost every phase of industrial life came under the notice of the Commissioners and their assistants. The reports and evidence fill fourteen large volumes, and are of great value. One result was the foundation, by Mr Mundella and Mr Burt, in January 1893, of a Labour Department of the Board of Trade. It was, at the outset, simply an information bureau, with no executive powers, its chief, Mr (afterwards Sir Robert) Giffen, having a staff consisting of a Labour Commissioner (Mr Llewellyn Smith), four Labour Correspondents (one a woman), and about thirty clerks. The official *Labour Gazette*, first published in May 1893, has ever since been a most

useful source of industrial statistics and kindred information.

The Factory Act of 1891 made a first tentative assault upon the "sweater's den." It required every factory or workshop occupier to provide lists of his outworkers and their places of employment, and to furnish to every worker written particulars of the rate of wages; and it forbade them to allow any woman to be employed within four weeks after she had given birth to a child. The special exemptions hitherto enjoyed by women's workshops were repealed; sanitary regulations were extended to workshops in which only adult men were employed; and inspectors were given a fuller right of entry to domestic workshops. Above all, perhaps, the Home Secretary was empowered himself to draw up special rules for any trade or process which appeared to him dangerous or injurious to health. During the same year, the regulation of weaving sheds and alkali works was strengthened, the Home Secretary taking power to draw up rules for twelve or thirteen branches of the chemical trades; and the House of Commons adopted without a division the proposal of Mr Plunket, First Commissioner of Works, requiring the payment of current wage-rates in Government contract work. Mr Shaw Lefevre (Lord Eversley) followed this example, in December 1892, by requiring the payment of a minimum wage of 6½d. an hour in the pulling down of Millbank prison; and, in 1893, Sir John Gorst carried a

motion favouring model conditions in the naval establishments. In the latter year, the Board of Trade obtained power to suppress unreasonably long working hours on railways. The year 1894 was chiefly notable for the vigour which Mr H. H. Asquith threw into his direction of the industrial departments of the Home Office. Many new inspectors, including four women, were appointed; central offices were opened in the chief provincial cities; further special regulations were issued for unhealthy trades, several of which were scheduled as dangerous; and in other cases exhaustive inquiries were instituted. These administrative measures led up to the Factory Act of 1895, which fixed the weekly limit of working hours at thirty for children, and sixty for young persons and women; raised the age limit for night work to fourteen; brought laundries under inspection; empowered the Home Secretary to prohibit or limit the employment of any class of persons in any dangerous process, to close insanitary work-places, and to make special rules for workshops where only men were employed; and extended safeguards against accident to docks and warehouses. The Act also compelled local authorities to report to the factory inspector measures taken by them at his instance, a stimulus to administrative zeal which was strengthened in 1901.

These measures do not exhaust the record of the decade in social reform; but, for the rest, it must suffice to name the Housing Act of 1890; the

Free Education Act, 1891, and a measure giving facilities for allotments; the Parish Councils Act, 1892, followed by the institution of county councils in Ireland, and borough councils (in place of the old vestries) in London; Sir Wm. Harcourt's Budget of 1894, which first imposed graduated death-duties; the Employers' Liability Act, 1897, weakened by contracting-out provisions, which was extended to agricultural labourers in 1900; and the foundation, in 1899, on the strength of the work and ideas of Sir Horace Plunkett, of an Irish Department of Agriculture and Fisheries.

These manifestations of the new spirit which distinguished the close of the nineteenth century may be regarded from three points of view, with somewhat different results. These may be called the standpoints of social compunction, social justice, and social organization.

There is no more *laisser-faire.* Capital is subjected to increasing restraint. There is practical hesitation, but no doctrinaire scruple, about interference with the conditions of adult labour. It being impossible to arrest the expenditure of the State, both parties agree that wealth must be taxed more heavily. The right of the State to pry into every corner of the industrial world, to publish the facts, to act at least as well as an average employer in its own workshops, to secure the like decency in its contractors, and to impose rules upon every occupation where sweating or danger to life, limb, or health are proved to exist—

all this is admitted. As an effort of social compunction, as an attack upon the more crying scandals arising from the anarchy of the preceding period, it is a brave show, full of good promise. The perspective is somewhat altered if we apply to the results a counting-house or bread-and-butter test. We shall see that these measures of the 'nineties, and the greater power of administration that supported them, led to the saving of hundreds of thousands of lives, and the avoidance of a corresponding mass of weakness and misery. But it is, unhappily, beyond question that they left a large part of the nation still struggling against abject poverty. In 1895, Sir Robert Giffen published elaborate calculations according to which the average of agricultural and industrial wages amounted to only 24s. 7d. per week, while 24 per cent. of the wage-earners made less than 20s.—a sum on which a family cannot be decently maintained, even if there be no sickness or break of employment. Mr Charles Booth's general conclusion carries with it a still greater authority:

"The result of all our inquiries makes it reasonably sure that one-third of the population are on or about the line of poverty, or are below it, having at most an income which, one time with another, averages 21s. or 22s. for a small family (or up to 25s. or 26s. for one of larger size), and in many cases falling much below this level. There may be another third who have, perhaps, 10s. more, or, taking the year round, from 25s. to 35s. a week, among whom would be counted, in addition to wage-earners, many retail tradesmen and small masters; and the last

third would include all who are better off. The first group are practically those who are living two or more persons to each room occupied. The next has, on the average, nearly one room to each person; while the final group includes all those who employ servants, as well as some of those who do not. Of the first, many are pinched by want, and all live in poverty, if poverty be defined as having no surplus. The second enjoy solid working-class comfort; and, of the third group, the worst off live in plenty, and the best off in luxury." [1]

Evidently, the fruits of pity are no measure of justice; to build a truly civilized State, much more is required than to make death by starvation impossible. The conception of justice, however, has become not simpler, but much more complex, with the passage of time; and the easy-going, matter-of-fact conservatism of the British nature supplies only a faint impetus toward its realization. Politically, England had made immense strides, and could boast of a machine of government on the whole more efficient, and certainly more adaptable, than that of any other large country. At least as an ideal, equal rights to the vote, to education, and to many ways of advancement, were no longer denied—with one important exception, the enfranchisement of women. A large number, rapidly increasing, of men in fortunate circumstances had, by the end of the century,

[1] *Life and Labour*, vol. ix. p. 427. Mr Booth remarked that "all classes in London give largely in charity," and added: "It is probable that the poorest people give the most in proportion to what they have" (p. 437).

passed beyond the negative idea of government as ring-keeper of the economic prize-fight, and even beyond the idea of government as a glorified Charity Organisation Society, and, like J. S. Mill in his later years, looked forward to a considerable growth of the positive functions of the State. Probably, the great complexity of the social problem, now of worldwide scope, accounts for the relatively small part which theory and doctrine played in this development of Socialistic thought, as compared with the rise of Individualism a century earlier. Now, as then, practical exigencies supplied the real driving force. City fathers of impeccably orthodox type found themselves building up great municipal supplies and services of water, gas, electricity, telephones, tramways, boats, tunnels, markets, baths, libraries, picture galleries, museums, model dwellings, advanced schools—enterprises in which, in 1899, a sum of £88,379,931 was embarked. Civic pride and the pressure of rates combined to lead them into the revolutionary practice of charges upon "betterment." Quasi-public boards were at the same time being driven to the construction, sometimes by the aid of city corporations, of enormous dock and harbour, ship-canal, and railway works; and, similarly, the central Government, whether under Conservative or Liberal direction, must reconcile itself to the humdrum details of manufacture and intermediate business on an ever-enlarging scale.

In the corresponding development of organized

labour as a political force, there is the same subordination of abstract to concrete motive. The Independent Labour Party, founded at Bradford in 1893 under the leadership of Mr J. Keir Hardie, M.P., had a definite Socialist programme; but it departed widely from the Marxian rigidity and the sharp materialist temper of the Social Democratic Federation. Even so, only a small number of the better-educated artisans were enlisted; and in 1899 a new departure was made. The Trade Union Congress instructed its Parliamentary Committee to call a conference of delegates of its own and of the three Socialist bodies to consider the question of direct labour representation in Parliament—of representation, that is, independently of the group of "Liberal-Labour" Members. The Conference was held in February 1900; and it was decided to form "a distinct labour group in Parliament who shall have their own whips, and agree upon their own policy, which must embrace a readiness to co-operate with any party for the time being engaged in promoting legislation in the direct interests of labour." This initiative was much strengthened by the effect of the decision of the House of Lords in the Taff Vale railway case, in 1901, and other legal decisions, which for the first time enabled employers to sue trade unions as such, and obtain damages from their funds for individual acts of their officials, and also gravely impaired the existing rights of strikers. In 1903, the constitution

of the Labour Representation Committee was amended, the clause requiring "a readiness to co-operate with any party" being inverted, thus —"to abstain strictly from identifying themselves with, or promoting the interests of, any section of the Liberal or Conservative parties, and not to oppose any other candidates recognized by this Committee. All such candidates shall pledge themselves to accept this constitution, to abide by the decisions of the group in carrying out the aims of this constitution, or to resign, and to appear before their constituents under the title of Labour candidates only." In 1906, 29 of 51 such candidates were returned. Later, the Miners' and Railway Servants' Unions joined what was now called the Labour Party, and 40 seats were won in the elections of 1910. The party remains without any dogmatic expression or theoretical explanation of its demand for social justice.

The perspective again changes when we take order and efficiency as a standard of national progress; for here the most conspicuous fact is the organization of capital for its own purposes and interest, the next most conspicuous the self-organization of labour, and only after these the organization of the common interests of society as a whole. This priority substantially results from the inherent differences between capital and labour which we noted in an earlier chapter—especially the greater mobility and staying power of capital—and the difficulty of organizing the

consumer, as such. The aggregation of capital had gone so far by the end of the century (though not yet so far as in the United States or Germany) as to compel an advance of economic thought far beyond any arising from considerations of social pity or justice—mainly, no doubt, because the division of capitalistic interests between "combines" and firms not ready for combination is favourable to such discussion. The more the tendency toward combination is examined, the more natural and inevitable it is seen to be; and the realization of this fact must deeply affect our view both of the history of modern commerce and industry, and of their future development. There were "combines" in ancient Egypt; joint-stock companies date back to the beginning of the seventeenth century, and entered the field of manufacture before the end of the eighteenth. The very processes which created a new era of competition created equally a new era of combination; and, so far as competition was the more marked, and obtained the sanction of a generally accepted philosophy, we must now envisage this as a very short and peculiar episode of the national history, necessarily limited to the years when England enjoyed a virtual monopoly of the new methods of manufacture and transport, and could afford to ignore much waste in their exploitation. The multiplication of competing businesses at home, and the appearance of foreign rivals, closed this abnormal period; and during the latter half of

the century the growing importance of economy in manufacture and marketing led to all manner of expedients of organization, of which the Trust is the latest outcome.

There is a devil-myth to be exploded here, as in the matter of "sweating." As there is no "middleman" devil, so there is no monopolist-devil. In both cases, there is an evil which assumes an infinite variety of shapes and shades, and seems to be a degradation of a virtue. The saving of waste is an evident good. The invention of larger unions of capital, skill, and labour for more efficient production, like the invention of more perfect machinery, is a good, but not always in its use an unmixed good. The extortion of the last penny of monopoly advantage is an evident evil. Between the extremes, all manner of efforts to escape from the penalties of cut-throat competition are to be found. They are most numerous and various, and reach the furthest elaboration, in the great machine manufactures, and this for two reasons. It is here that the power of over-production is greatest, and united restraint becomes most necessary; thus, a desperate reaction against a state of affairs due to the absence of any elements of natural monopoly may result in an artificial monopoly. Secondly, it is in those trades, manufacturing standardized articles by large-scale routine process, that union can be most easily brought about. For large uniform production, the essential things are (*a*) easy access to credit and new capital,

(*b*) most advantageous purchase of raw material (and therefore constant new supplies), (*c*) the best machinery (and therefore the maintenance of research and invention), (*d*) economy of management and labour-wages, (*e*) association of processes and use of by-products, (*f*) economy of selling (including "travelling" and advertisement). Much depends on (*g*) whether the particular market is expanding or contracting, (*h*) whether the particular business can fortify itself by means of patent or trade-mark protection, or the preservation of secret processes; (*i*) whether the combination is based upon real monopoly elements, natural or artificial, and real economies, or is a factitious result of the greed of the promoter. In the United States, Germany, Russia, and other countries, the movement of aggregation has been greatly stimulated, at the expense of the general public, (*j*) by tariffs penalizing competitive imports. England has benefited in this respect by her adherence to free trade, and by the relative efficiency of her processes of government—for the would-be monopolist knows that public opinion can quickly convert itself into law if it be provoked. In this as in other directions, however, (*k*) the exercise of political influence tends to become a more important purpose and result of business combination, though it is most often attained indirectly through the agency of trade associations, local and national. Finally, (*l*) gigantic aggregations of capital make possible great foreign enterprises, such as the exploitation of

gold-fields, oil-fields, and tropical forest produce, railway-building, irrigation, and other public works.

Many of the advantages noted above apply as well in the field of distribution as in manufacture. When the inefficiency of the ordinary old-time retail shop is recalled, the multiplication of "stores" and "universal providers" at the end of the century is not surprising, nor the later growth of companies purveying food, drapery, drugs, and other supplies through hundreds of branch establishments. The trend is universal: wherever small concerns, especially those doing routine business, are uneconomical, wherever competition has become immoderate, wherever the prospect of monopoly is tempting, combination sets in. Railways, motor-bus or taxi-cab companies, cable companies ally themselves to limit wasteful services. National prejudice does not stay the establishment of "shipping rings," or even the construction and arming of fleets for foreign States. The variety of combination is as wide as the variety of opportunity; but three broad distinctions would cover most cases: (1) alliances of independent concerns (to keep up prices, to delimit areas, to economize services, to share contracts, or for other specific purposes); (2) aggregation of industries formerly independent under a supreme control, under the form of subsidiary companies (as in the series from the coal- and iron-mine to the completed ship); (3) full amalgamation (as in the cotton thread, screw, salt, and alkali manufactures).

The only general restraint upon the tendency in the United Kingdom is the requirement of full publicity under the Companies' Acts. Some businesses peculiarly large in the element of natural monopoly have, as we have seen, been taken over generally by the municipalities; but the central Government has only in a few cases gone beyond regulation. Even the provision of land and sea armaments lies, for the most part, in the hands of private contracting firms; and there is here at least one extreme case of anti-social monopoly, in the so-called Armour-Plate Ring. The most notable illustration of the State regulation of a private monopoly business is offered by the railways. The revolution in transport and transit followed the revolution in agriculture and manufacture. Some important consequences are traceable to this order of development. Railways came before democracy; but they came under the Reformed Parliament, when the *laisser-faire* school had done its best and worst, and other forces were beginning to rise. There was no vast virgin hinterland inviting predatory greed, as in the United States; yet cupidity naturally sprang up in the track of the first locomotives. The costs of construction, largely for land compensation and veiled bribery, were enormous. Gradually, the companies developed a series of powerful bureaucratic administrations, to a large extent bound together by working agreements, as a reaction from ruinous rate-cutting. In 1840, the younger Stephenson declared before a

Select Committee that, "by exciting competition, you increase the capital invested for the same convenience which would be otherwise obtained with less capital," and therefore that, "wherever combination is practicable, competition is impracticable." Both sides of this proposition have been justified by seventy years of British experience. The evil of waste reached its height when the steam railway was reaching the maximum of its economic influence, when the interests of a particular town or district had become dependent upon a certain line, which could thus make or mar its fortunes. Sometimes—as over the Manchester Ship Canal, and the Hull and Barnsley Railway—a city was tempted in self-defence to mortgage its resources to establish a competing system of transport. Rivalry between two capitalist groups was then exaggerated into a general social-economic conflict, city being set against city, port against port, coalfield against coalfield. Much of the desired gain was always lost in the waste of these struggles. Outside this deliberate competition, there is a great class of losses incidental to the uneconomical division of the traffic lines of the country. Amalgamation, or some other form of union, was the natural result of the earlier conflict; and this also enabled the railway companies to obtain control of canals, and to develop great dock and shipping properties.

State regulation, in the interests of traders, passengers, and workmen, has tardily followed this monopoly development. The earlier waste on

construction (British capital cost was twice as large as that of the French and German, and four times that of the American, railways) and afterwards on competition—to say nothing of the cost of 250 boards, with their 1300 directors—became an excuse for burdensome traffic rates, poor facilities, and poor wages. No method of procuring reasonable rates by outside pressure has been found; and it was only with the full constitution of the Railway Commission, in 1873, that the principle of equal treatment was effectively imposed. In 1893, the House of Commons unanimously recorded its opinion that the then recently revised traffic charges and conditions were "most prejudicial to the industrial, agricultural, and commercial interests of the country." Further powers were again given to the Railway Commission; but it has become plain that the policy of "regulation" reaches its limit when it represses the more obvious kinds of extortion. On the side of the passenger, the grave situation of the great cities has been saved by the invention of new methods of transit—especially the electric tram and the petrol motor-bus; but the hesitant treatment of the railway problem is largely accountable for the continuance of slum-regions in all great towns. Until recent years, railway labour has been particularly ill-paid, exhausting by length of hours, and dangerous to life and limb; and there is still wide room for improvement.

Thus, we see that, on every side of commerce

and industry, competition as an ideal had been abandoned before the end of the nineteenth century, and some progress had been made in protecting the workers, and the community at large, by the experimental development of State rules. Any fuller organization of the resources of the country for the benefit of the whole people was left as the trial task of a new era.

# CHAPTER IX

## THE NEW AGE

### I. Population and Wealth

It is quite unlikely that twentieth-century England will produce another Macaulay. Not that romance is dead; not that there is an end of heroic personalities. Is there no strife of ambitions, of interests, of wills, of ideals? As men progress in freedom, they fight more, not less ardently, because they have more real things to fight for, and the publicity of modern life creates a world-arena in which the excitement never ceases. The soldier and the arbitrary statesman have, indeed, lost their pre-eminence; but the combat whose weapons are credit papers, and laboratory tricks, and mechanical improvements evokes an energy and an interest impossible to attribute to any ancient quarrel over a royal marriage or succession. The author of the American Steel Trust is as prodigious a being as Hannibal or Napoleon, and shows himself of the same breed not least by talking peace in his latter days. The old forms of savagery decay; yet Cobden and his Manchester friends brought "not peace but a sword" into millions of humble homes. Most of the earth was roughly explored a century

ago. The next task was to exploit its elementary goods, to feed the swarming millions of its children, to bring the fruits of the East to the West, to dig the soil everywhere, and set up new markets humming with polyglot demand. This proved no less exciting, though in different ways. So, where Fenimore Cooper's pioneers broke the solitude, the wild cries of the Chicago wheat-pit now resound. The robber barons of the Rhineland who took toll of the merchants' caravan are represented by Imperial customs officials, multi-titular and resplendent, administering a "scientific tariff." Scholars are taught to scoff at the South Sea Bubble; they grow up to look with other eyes upon a gamble in "futures," or a "flutter" in oil or rubber. Every piece of food we eat, everything we wear, every tool we use, is full of the romance of this transformation of the world's business. Cotton, paper, steel, soda, wool, guano, gunpowder, sugar, wheat, rubber—the expert has done his best to vulgarize them; yet there is not one of these common things but could tell a tale of adventure that would outshine the best of the old fairy stories.

These tales will be told; we shall not, however, call them History. A new Macaulay would find his stage too large and too crowded, the motives of the play too complex; in dealing with the later nineteenth century, he would have to attempt a manner of representation impossible within the conventions of drama, showing a continually and

rapidly increasing number of characters on a continually and rapidly enlarging scene. This may not be true of a later period; it is the essential condition of any picture of the Victorian and post-Victorian age. Behind every individual figure, we see a jostling crowd in which the vital action centres—as, at certain stages of a Greek drama, the chorus carries on the plot. British population leaps forward; the North American continent is filled up; Asia and Africa are subjected to Europe. Biography may help us to understand the character of this prodigious change of scene; history must show its extent and its average quality. It is beyond exact measurement; but we must use our little yard-measures, and be glad that better are at length being made. The reader will find, after this chapter, a series of statistical appendices from which, with a little industry, he can draw a faint outline of his material environment. If we did not remember the persistence of national traits, we should say that the England with which we began had completely disappeared. The 16 millions of population of 1801 have grown to 45 millions in 1912. London has grown from less than a million to more than seven millions. London and six English and Welsh industrial counties, which had together less than 3 millions of inhabitants, have now more than 20 millions. Town is more dominant over country than country was over town. To a large extent, the whole land is urbanized. It is covered with roads incredibly

good by the standard of a century ago, with railways and tramways, telegraph and post offices, banks, hospitals, elementary schools, churches and chapels, police stations, gaols, workhouses, and army and navy barracks. Every town has some free provision of books and other means to culture, some organization of philanthropy, apart from its local government. The daily newspaper reaches the remotest corners of the country. Only a few sailors and fisher-folk and a very few farmers now live in real isolation. Thus, interests and opportunities are incalculably multiplied. As the electric train is to the stage-coach, as the "Dreadnought" is to Nelson's "Victory," as the automobile is to the phaeton, the latest Manchester machinery to the spinning-wheel, the telephone message to the letter by hand, so is the speeding-up in every part of our material life; and it is not unfair to conclude that the average wits have become nimbler in proportion, whether or not we have progressed in the weightier matters of the law.

The forces that have thus united and quickened the British people are also uniting and quickening the life of the whole globe. Its resources are superficially known from pole to pole, and from the highest peak of the Himalayas to the lowest deep six miles below the surface of the Pacific. Aided by the cable and wireless telegraphy, by cheap books, daily newspapers, and the cinematograph, the Londoner to-day is nearer to the Antipodes than the Londoner of a century ago was to the

Scottish Highlands. Thousands of families, perhaps most families, have relatives or friends oversea; and trade places upon every breakfast-table an object-lesson in practical internationalism. The British realm is no longer to be thought of as a group of islands in the North Atlantic; these are but the capital province of a loose union including a fifth of the population of the earth, and illustrating its extremest diversities. We may think of the kingdom as a huge factory and a huge free port, with some farms and parks, government offices and arsenals, attached; and we may think of the Empire as a number of family estates scattered all over the world, and falling into three orders—the Colonies, which are virtually independent democracies, the naval stations, and the Dependencies. It is true, and it is important to remember, that British trade with foreign countries increases as rapidly as British trade with the Empire,[1] being twice as large in exports and three times as large in imports. The profits of British shipping lie to a still larger extent in traffic with foreign countries; and although capital has naturally flowed away from Europe toward the newly opened lands of which Britain has a disproportionate share, the larger part of British oversea investments still lie under foreign flags.[2] These three facts, now that they are appreciated, put a certain check upon the narrower kinds of imperialist sentiment, and

[1] See Appendix V., § C.

[2] See Appendix IV.

large obstacles in the way of a return to Protection. Nevertheless, the importance of the imperial connection cannot now be ignored. It brings large advantages, and it involves immense costs and responsibilities. It affects the life of the island kingdom at many points ; and it presents problems of the utmost gravity for future solution.

In the eyes of the outer world, the British Empire stands as a unit. In our own eyes, it falls into two very different parts, the white population, and other populations six times as large in the aggregate. These latter, which lie chiefly within the tropical zone, present a double difficulty, which must inevitably grow as time goes on. The imperial rule has become purer, more regular, and more humane, but it remains for the most part a benevolent despotism. Since the moral shock of the South African War, particularly, feeling has grown in the ruling race in favour of an extended association of natives, in India and Egypt for instance, in the work of government. The question here is whether this feeling will continue to grow as rapidly as the native demand, and practical solutions be discovered for every difficulty as it arises. A yet graver matter, perhaps, especially in its economic aspects, is the increasing disparity between the numbers of the two parts of the Empire which we have distinguished. The more efficient and humane white government becomes in Asia and Africa, the more rapidly do the native populations grow. In fact, the natural increase of these

populations in the last seventy years is vastly greater than their increase by conquest or other manner of acquisition, though the later Victorian age was a period of unceasing imperial expansion.[1]

On the other hand, the British people, like the peoples of North Germany, Scandinavia, and the Eastern States of North America, are rapidly approaching the point, already attained in France, where the births do little more than compensate for the deaths. The birth-rate in the United Kingdom has fallen from 33·8 per thousand in 1871 to 24·4 in 1911; the reduction of the death-rate—the most splendid result of recent social progress—is somewhat less than this; and the rate of natural increase has, therefore, fallen from 12·3 to 9·6 per thousand. Two other facts must be considered along with these. The first is the great increase of emigration in recent years, under the stimulus of Colonial inducements; and this carries away many of the stoutest of our people.[2] The second is that, whereas the death-rate cannot be very much further reduced, there is every reason to expect a further shrinkage of the proportion of births. It is highly probable that, before the middle of the twentieth century, the population of the British Islands will be practically stationary at something like 55 millions. The population of the United States, the German Empire, and the British Colo-

[1] See Appendix I., § E, cols. 3-5.

[2] See Appendix I., § C.

nies will then still be slowly increasing; and the tropical dependencies of Britain will be more prolific than ever. This is not the place for speculations upon the prospect thus opened out; suffice it to note, as one of the most momentous results of our review, that, a century after Malthus, the question for England is not whether she has too much population for her resources, but whether she will not soon have too little for the tasks she has assumed.

While population is thus in course of arrest, wealth accumulates at a prodigious rate. Recent investigations, which are summarized in our third and fourth appendices, give us some impression, though they do not enable us to make an exact account, of the material resources of the country. The total capital of the United Kingdom is broadly estimated at £15,000 Millions. According to the report of the Census of Production, first taken for the year 1907,[1] only about a tenth of the whole consists of manufacturing capital, including the value of land and buildings; and it is remarkable that this capital is equal only to two years' net output of industrial businesses (not including cost of materials or transport). On the other hand, Sir George Paish estimates the amount of British capital invested abroad at £3,500 Millions, or more than twice as much as the capital engaged in home manufacture. The total annual income of the country is put at about £2,000 Millions. This

[1] Summarised, Appendix III.

appears to be shared, and contributed, approximately, in the following proportions:

| | |
|---|---|
| Industrial Production (net) . | £760 Millions |
| Agriculture and Fisheries . . | 220 ,, |
| Distribution . . . . | 400 ,, |
| Professional, Governmental, and other Services . . . . | 350 ,, |
| From Foreign Investments and Services (coming in, largely, as imported materials) . . . | 240 ,, |

These sums are not, of course, strictly comparable: the revenue from foreign investments is profit; the "income" of industry, in this sense, is the fund from which all the parties to the productive processes have to be paid. The figures serve, however, to suggest some grave reflections. One is the poverty of agriculture as a form of employment relatively to its productive value. Another is the surprisingly small predominance of manufacture as measured by its net output. A third is the enormous costs of transport and merchanting. The expenditure on advertising in British newspapers and other publications alone has been reckoned at from £40 to £50 millions[1]; and other parts of the distributive process must also cover a good deal of waste. The estimate for governmental, professional, domestic, and other services contains a large part, but not all, of the rapidly increasing cost of armaments, which is pure burden. Perhaps

[1] *The Newspaper.* G. Binney Dibblee.

the most remarkable fact of all is the increasing part which foreign investments play in the budget of the British people. Their amount is increased by £100 millions a year ; and the income from them is estimated at from £140 to £170 millions, which is equal to two-sevenths of the sum brought under review of the Inland Revenue Department as income, properly so-called, from business concerns, professions, and private employments at home.

The distribution of the product of investment, skill, and labour of various kinds may be subjected to a closer and more real measurement by comparing the inland revenue returns with those of the Census of Production. The former show that families numbering $5\frac{1}{2}$ millions receive nearly a half of the recorded national income, while families numbering 39 millions have to be content with the other half. Dr Bowley estimates that 12 per cent. of the adult male workers of the kingdom, when in continuous employment, receive no more than a pound a week, while the wages of another 20 per cent. do not exceed twenty-five shillings. An explanation of all this positive or relative poverty has been discovered in the tables of the Census of Production, comparing the value of output of the various trades with the numbers of workers employed. Thus, $3\frac{1}{2}$ million workpeople were found to be engaged in trades whose average output—the fund from which capital and labour and all costs except materials must be paid —was below £100 per head. It will be seen, indeed, that this is about the average net output of the

mining and manufactures of the country per head of the workers employed. This fact has been somewhat hastily translated as meaning that the "wages fund" must be much less than £2 a week per head, and that the possibility of raising wages, whether by trade union or other action, has therefore nearly reached its economic limit. If the detailed figures be examined, it will be seen that the average of about £100 per head covers very wide differences, the clothing trades, for instance, being considerably below, and the chemical trades and public utility services considerably above. It will also be found that the lower output per head commonly corresponds with a large use of female and child labour, the higher output with a large use of skilled adult male labour, and of machinery. There are other grounds for believing that the increase of wages must depend largely, perhaps mainly, on the increase of productive efficiency. The same consideration applies to the reward of the employer as manager; and there is no reason for doubting that the efficiency, and with it the rewards, both of management and labour, will continue to increase. Since Lord Brassey gave the results of his experience many years ago, a mass of evidence has accumulated of the effect of better wages in stimulating the energy and intelligence of workers. To a very large extent, the increased power of machinery has brought, and would have been impossible without, an equivalent increase in the skill of the machine operatives. There is no less reason to expect a

continued improvement of labour than of organization and machinery.

Two other important considerations must be borne in mind. The theory of the limited wages fund seems to imply that the value of the output of manufacture as named above is an intrinsic value which can be increased, if at all, only by an increased power in its own contributors. This is not so. The £762 Millions of industrial output is simply the total price (at the factory doors) to which the distributive and consuming classes have been able to beat down an industrial class weakened by anarchic competition. If there is great waste in distribution (such as over-advertising), and if the industrial workers are not well organized to protect themselves, some of that waste will be taken out of their wages. If, on the other hand, they can extort higher wages, the manufacturer will press harder on the distributor, who will thus be driven to economy. Again, manufacturer and distributor may be able to pass on the extra cost of wages to the consumer. Apparently, this has been comparatively easy in recent years because of the rapid increase of the general wealth. No part of this wealth is so immediately and exclusively used in stimulating production as increased wages.

Our second reflection is that economy and efficiency of production, as of other social processes, are promoted not only by the endeavours of masters and men, individually and in their respective organizations, but by the endeavours of the nation

at large, and particularly of its teachers and leaders. These efforts, also, will take two directions: the saving of waste, and the stimulation of productivity. We have hardly yet got beyond the *a*, *b*, *c*, of these two methods of progress; but the suggestion may be hazarded that these will rapidly become the dominant ideas of the British polity. The first is the more flagrant need. If the Board of Trade were doing nothing else than procure the peaceful settlement of a few labour disputes, it would be making no mean contribution to the wealth of the country. The cost of doctoring, a sufficiently large item, is a trifle to the national cost of preventable sickness. Statesmen who preserve peace in our international relations are performing a service measurable in millions sterling; when they can go on to reduce the present costs of armed defence, there will be so much more to divide among working Britons in wages and profits. And, if all waste were stopped to-morrow, there would remain the task, no less romantic and promising than in the days of Watt and Stephenson, of better using not only these islands and that neglected estate, the seas around them, but the imperial territories for which we are responsible.

## II. New Lamps for Old

Judging by the Census of Production, industry—including mining with manufacture—is now six

times as important in the economy of the United Kingdom as agriculture, measured by output, and three or four times as important measured by the numbers of persons occupied. In England and Wales, the preponderance of industry is still greater: little more than a million persons are there dependent upon agriculture, as compared with nearly a million in governmental services and the professions, nearly two millions in commerce and transport, two millions in domestic services, five millions in the building, food, and clothing trades, and a million and three-quarters in the metal industries. The numbers occupied in transport, wholesale and retail trading, and professional and clerical work, have increased more rapidly in recent years than of those engaged in manufacture; and the increase of women in commerce and the professions is particularly marked. Three-quarters of the wage-earners of the kingdom, in productive industry, are men; but girl workers are much more numerous than boy workers. There are, in round figures, 20 millions of "occupied" persons in the Kingdom; and only $2\frac{1}{2}$ millions of them are organized in trade unions. If we cut out 3 millions of domestic servants, another 3 millions in agriculture and fisheries, and 1 million of employers, persons working on their own account, and soldiers and sailors, this failure of trade unionism to grow still remains a very significant fact. It is explained, in the main, by the lack of combination among unskilled labourers and among women, of whom

there are 2 millions in manufacture, hardly any of them organized.

It will be seen (Appendix III, C) that the industrial output of Scotland is only one-seventh of that of England and Wales, and that Ireland is very far behind. It will also be seen that the iron and steel, engineering, and shipbuilding trades form the most important group, with a net output of £153 millions; while these, with the mining and textile groups, account for a half of the total of national production. The aggregate value of industrial, agricultural, and fisheries produce, *plus* expenses of transport and distribution, is estimated to fall between £1782 and £1917 millions; and, if exports be deducted and imports added, there is left a sum between £1663 and £1833 millions as the total cost to consumers of goods consumed in the United Kingdom in the year 1907. These huge figures reduce the "fiscal question" to its true proportions: it appears that the net import of fully manufactured articles in a prosperous year is equal to only 7 per cent. of the United Kingdom output. Nearly a third of this output was exported.

Until a number of similar Censuses have been taken, we shall not have a close measure of the progress of British industry. Meanwhile, the figures of foreign trade (Appendix V) tell a cheerful tale. The record of exports gives us a summary view of the fluctuations of the last sixty years. They show a pretty steady expansion from 1854—

when these figures were first officially taken—to 1870. There is then the short "boom" of the Franco-German War time, followed by the double crisis the history of which we have given. Ten of the years between 1873 and 1886 were years of falling trade. There followed an improvement; but 1893-4 were very bad export years, and the recovery was slow. This is the interval, immediately preceding the South African War, when Mr Joseph Chamberlain was moving toward his neo-Protectionist crusade. With 1899, we enter upon the period of the most remarkable expansion of international commerce known to history. In fourteen years, there are only two of recession, and the total of British exports has been doubled. To a small extent this phenomenal increase is only apparent, being due to the universal rise of prices. This consideration does not affect the international comparison, which shows that, in exports of domestic produce, the four leading countries, the United Kingdom, the United States, Germany, and France, still hold the relative places they held thirty years ago, and that, while the United States and Germany have made some advance toward the British position, this is accountable to their very much greater populations. It is deserving of note, in view of recent jealousies, that British exports to Germany have increased more considerably than to any other country.

The most satisfactory feature of British manufacture in recent years—since no land can now hope

to obtain anything like a monopoly of the world market—is the tendency toward the production of goods of the higher qualities. The cotton trade is still largely governed by the demand of poor countries; and its continued expansion—the spinning power increased from 44 million spindles in 1903 to 55 millions in 1911, the consumption of raw cotton from 14 to 17½ million cwts., and the exports are now valued at over £102 millions—is a unique testimony to the possibilities of long-developed industrial skill and high organization wielded by a vigorous race under the advantages of the open-port system. Including auxiliary trades and distribution, probably 3 million people now depend for their livelihood upon the cotton manufacture. In the wool and worsted trades of the West Riding, fashion counts for more, and there is more local specialization, Huddersfield, for instance, being famous for worsteds for men's suitings, Bradford for women's dress stuffs, Halifax for carpets, Leeds for ready-made clothing, Dewsbury for overcoatings, cheap fancy tweeds, blankets, and rags. Belfast and Dundee remain the two chief centres of the linen manufacture, the jute trade being also concentrated in the latter town. Despite all the misfortunes of the past, 30,000 operatives are still engaged in the silk-industry, in London, Bradford, Macclesfield, Leek, and other centres. It is claimed that, for beauty of design and good make, British silks are not now surpassed by the best productions of France or any other country; and, while Irish

poplins hold their own, the diffusion of wealth has created a large demand for new diaphonous fabrics, rich brocades, the lesser wares of silk hosiery, linings and threads, and mixed stuffs like crêpe de chine. Coventry now puts out many millions of pounds of artificial silk yearly. Concentration of industry in a field where capital and labour have been long used to intelligent co-operation is again illustrated by the fact that five-sixths of the hosiery and lace factories are still located in Leicestershire, Nottinghamshire, and Derbyshire.

From time to time, alarm has been suggested by a comparison of British and German exports of iron and steel goods. Closer investigation shows the folly of comparing totals the details of which are not comparable (for instance, large quantities of hardware, cutlery, implements, and tools were included in the German but not in the British figures). It also shows that the very great German increase has been chiefly in lower-grade goods for other markets than ours; while British iron-masters, who were formerly shippers mainly of pig, bar, and railroad iron at £5 per ton, are now shippers of goods from two to four times more valuable.[1] In fact, industrial England has most effectually "waked up" since the period of morbid introspection in the early 'nineties, and especially since the

[1] For a detailed comparison, see the *Times Financial Supplement*, March 19, 1913. The writer concludes that "our own trade is of a very much higher type than that of our competitor, and it would be of little consequence to us to find Germany immensely increasing her exports."

general shaking-up of the South African War. The result is seen both in the improvement of old and the invention of new processes and trades. In the former order, we may cite as an instance the marvellous advance made in recent years by Sheffield manufacturers in the production of self- or air-hardening steels by the use of an addition of small quantities of tungsten, chromium, or vanadium. This tungsten-chrome era, as it has been called, of cutting-steel metallurgy, was opened about 1870 by Robert Forrester Mushet of Sheffield, who found that carbon steel alloyed with tungsten, when cooled from a yellow heat in a draught of air, was not only sufficiently hardened, but had an increased thermal stability. About 1880, Mushet further improved the result by the addition of small quantities of chromium. In 1900, turning tools were being made which would cut very mild steel at a speed which rendered the nose of the tool red-hot; and later experiments have resulted in the production of what is known as high-speed steel, in which the thermal stability of the fortified hardenite runs to about 700 degrees C. Even more remarkable, in this latter period, has been the effect of additions of the comparatively rare metal vanadium to plain carbon steel or alloy steels in raising the yield-point and the maximum stress. Beside improving structural steel, these inventions have, according to Prof. J. O. Arnold, of Sheffield, increased fourfold the cutting power of steel, and left Great Britain supreme in this important branch of metallurgy.

There are great and somewhat mysterious differences in the efficiency of inventions, as measured by the rapidity and extent of their adoption. In some cases the delay is due to mechanical, in some to social factors, in many to both. The diffusion of wealth and the desire for more personal cleanliness led in the last decade of the nineteenth century to the tardy application of steam power to laundry work, and to a rapid multiplication of private and public baths. We must suppose that the ease of locomotion on two wheels would have been realized centuries ago, but that the bicycle would then have been a very costly, as well as a very clumsy, machine. With the production of cheap steel, the rest was easy; and within a few years something like a social revolution was wrought, young women, in particular, of the middle class being for the first time released from the maternal apron-strings. What was a difficult craze in the 'seventies became in the 'nineties a national pastime, and then subsided into a business convenience. It had given birth, meanwhile, to a sub-invention of considerable importance, though, in all but material and perfection and cheapness of make, you may find it on the chariot-wheels of the Pharaohs—the hollow rubber-tyre. The Dunlop Pneumatic Tyre Company was floated on the top of the cycle "boom," with a share capital of nearly four millions sterling. For some years it did prodigiously well, and the promotor is said to have made something like two

millions out of the transaction. Then the fashion began to wane; cheap American bicycles began to affect the market; and in 1906 the capital of the company was reduced to a little over two millions. The cycle manufacture still flourishes, the exports being valued at nearly two millions a year; but it is the coming of the motor-car that has saved the rubber-tyre trade. The automobile is, perhaps, the most characteristic embodiment of the luxury and ingenuity of our time. Roads are built for it; hotels and stores and repair shops spring up in its train; the earth is ransacked for supplies of oil and rubber which, when found, become matters for riotous speculation. In a few years, horses have become rare in city streets now filled with motor-buses, taxi-cabs, private cars, and commercial vans.

The internal combustion engine, on which most of these machines depend, goes back in idea to the end of the seventeenth century; and many efforts had been made with coal gas, to little purpose, when, in 1860, a Frenchman named Lenoir profited by the object-lesson of the explosion of artillery charges. Otto, in 1876, used the principle of compression of the explosive mixture before ignition; and, since then, there has been a rapid development both of gas and oil engines. In 1886, light steam motors were attached to bicycles and tricycles by American makers; and about the same time Daimler and Benz, in Germany, began to use gas engines on motor vehicles. The great advance came, however, with the discovery of the advantages of petrol,

with kerosene and oil fuel one of the chief products of crude petroleum. Thanks to the petrol engine and the rubber tyre, the automobile industry has made phenomenal progress. England, hurriedly abandoning, in 1896, her ancient traffic rules, quickly caught up the rival countries ; and, while the import of cars reached a maximum in 1906, then rapidly falling, the British exports increased from £240,000 in 1904 to £1,376,000 in 1910.

The internal combustion engine is being more slowly applied to sea traffic. Here another very old idea, only recently realized, has first established itself. This is the turbine engine, in which, instead of the familiar cylinder left by Watt, we have a jet of steam playing directly upon a fan-like wheel jacketed round the shaft. De Laval, a Swede, successfully applied this contrivance to a cream separator, in 1883. Parsons soon afterwards entered into the field, proving that the turbine could give extremely high speeds ; and it has been gradually adopted in merchant liners and warships. Motor boats are furnishing a great stimulus to the North Sea fisheries, and to all kinds of small water-traffic. The airship, the aeroplane, and the water-plane are other children of the petrol engine as to whose future it is impossible to speak with the same confidence, wonderful as have been the exploits of their inventors and pilots. The demand for petrol has so rapidly increased that prices have sharply risen, and there is an excited search for substitutes. At the moment when the British Government,

despite the advantages of plentiful home supplies of the old fuel, is beginning to substitute oil for coal in the navy, it is impossible to doubt the great future of oil fuel. But it is not at all likely that, except for special purposes, there will be any general substitution of petroleum for coal. The world's production of liquid fuel, allowing for its superior efficiency per ton weight, is hardly more than one-fifteenth of that of coal; most of it is used for other than power purposes; and coal will continue to be preferable by reason of its cheapness and regularity of supply.

It used to be supposed, similarly, that electricity would supplant gas; but this has not happened. Electric lighting lagged strangely after Davy's production of an arc light, from voltaic cells and charcoal pencil electrodes, in 1810. The interest excited by the arc lamps at the Exhibition of 1851 passed away; and it was not until 1870 that the Gramme dynamo introduced a commercially practicable method of generating current. The early electric lighting companies were mostly unsound, and millions were lost in them. For a time, however, they shook the position of many gas companies. The Jablochoff candle (1876) was followed in 1878 by the incandescent carbon filament lamp, improved by Edison and Swan in 1883. These steps led to rapid progress. The gas companies were thus spurred to new effort, and presently the incandescent gas mantle gave them the honours, while the use of gas-engines, stoves, and other

appliances also rapidly increased. Again the electricians stepped forward, and the metal filament lamp, by its saving of current, has given an immense impetus to the industry. The use of electric traction made small advances, even for tramways, till the end of the nineteenth century, the cost of building conduits or erecting overhead wires being the great obstacle. The discovery that the South London electric trams had, by 1908, deprived the Brighton line alone of five million passengers a year forced the pace. The City and South London " tube " had been working successfully since 1898 ; the Metropolitan Underground had been " electrified." In December 1909, the Brighton line between Victoria and London Bridge, and, in May 1911, the Crystal Palace line, were electrically worked. These and other experiments have been completely successful. One of the remarkable tables of the Census of Production shows that about a quarter of the engine-power found in British mines, factories, and other works, was in 1907 used for driving dynamos to produce electricity for power and lighting purposes.

### III. Agricultural Revival

After many years of depression, British agriculture seems to be turning the corner, and to be entering upon a happier period. The gross income derived from the ownership of lands, cultivated or uncultivated, in Great Britain (as returned

under Schedule A of the income tax), and the rateable value of agricultural land in England and Wales (as defined by the Agricultural Rates Act, 1896) fell steadily until 1908, when the former sum was £42,135,000, and the latter £23,653,000. These figures then slowly increased.[1] The change of cultivation in Great Britain may be thus shown :

| | Arable Land. | Perm. Grass. | Crops and Grass. |
|---|---|---|---|
| 1883, acres . | 17,319,000 | 15,065,000 | 32,385,000 |
| 1912, ,, . | 14,660,000 | 17,335,000 | 31,996,000 |

In the same period, the number of cattle has increased from six to seven millions, while the number of horses, sheep, and pigs has remained the same. A considerable change in the character of land holdings is taking place. Since 1905, 628

[1] "It was not until about 1909," says Mr A. D. Hall, "that there was any general recognition of returning prosperity. About that time, it became difficult to obtain a farm if it had not some patent disability attached to it. To-day, the process has gone still further, rents have definitely risen with the demand for land that cannot be satisfied, and in all parts of the country men are obtaining very large returns indeed on the capital they embarked in the business. Of course, every farmer has not been making money; bad business habits and slipshod management are far too common." The writer doubts "if there are any more profitable enterprises open at the present day than would be provided by a 2,000-acre farm on good land with an adequate backing of capital." But expert organizers are wanted; and "the great opportunities of leadership landowners might exercise in the way of drawing their tenants into co-operative marketing and purchase, or improved methods of farming, are rarely or never exercised; at their worst landlords become mere rent receivers, and must inevitably be crowded out unless they take some higher view of their function."—A. D. Hall, *A Pilgrimage of British Farming*, 1913.

large farms (exceeding 300 acres each) in England and Wales have disappeared; the number of medium holdings (50 to 300 acres) has increased by 1,088, and of smaller holdings (5 to 50 acres) by 2,229. In these seven years, the number of occupiers has increased by 3,313. Of 513,000 holdings in Great Britain, only about 12 per cent. are cultivated by owners, as compared with 86 per cent. in the German Empire, and 83 per cent. in Denmark. A quarter of the whole farmed area still consists of farms over 300 acres, and considerably more than a half of medium-sized farms. But there are now about 300,000 farms of from one to fifty acres; and it is certain that the movement for small holdings, now only 15 per cent. of the whole, will go much further. The vast importance of the agriculture of the United Kingdom, even after all the losses of past years which we have noted, is indicated by the estimates taken for the Census of Production, 1907,[1] showing an output valued at £210 millions, as compared with a net industrial output of £712 millions.

The chief, but not the only, cause of the recent improvement has been the rise of prices which began in the mid-'nineties. Another factor is the shaking out of weaklings, incompetents, and aristocratic dabblers during the long depression. In the effective application of capital, skilled management, systematic organization, and the development of marketing services, agriculture is

[1] Appendix III., B.

still very far behind manufacture. But there is a great change for the better. Agricultural education and investigation are being constantly improved; and the average farmer's attitude toward them is becoming intelligently appreciative. Economy of production has markedly advanced, both in the adoption of improved machinery, and the alternation of crops, as well as in farm routine. The self-binding reaper—an American invention continually improved and cheapened during the last quarter of a century—has converted the ancient harvest festival into a modern industrial operation. It is but one of many machines and appliances which are transforming agriculture. They are important for the saving of labour power, and must be counted among the causes of the exodus of labourers to the towns and the Colonies; but they are also important for the saving of time, which, in the climatic conditions of England, may make all the difference between profit and loss. So the mower, tedder, transporter, and elevator have revolutionized hay-making (and it should be recalled that the British hay harvest is worth over £31 millions, or very little less than the wheat, barley, and oats crops, not counting the straw). The early disappointments with artificial manures and concentrated feeding-stuffs are also being forgotten, and new uses for phosphate and other fertilizers are being discovered. We may instance a single recent experiment conducted at the Agricultural College at Kingston-on-Soar. Here it was found that an expenditure of

29s. in manures for grass land gave in four years a net profit per acre of £7, 16s. in milk alone.

In Ireland, a great social work is being achieved by agricultural co-operation, the farmers in many districts being enabled to control their own buying and selling, to free themselves from the rule of the "gombeen man," and to build up the beginnings of a new social life. In March 1913, there were in England and Wales 478 co-operative agricultural societies, with a membership of 48,000, and a turnover of nearly two millions sterling. The most considerable development here is in milk production; it is estimated that fifty thousand gallons of milk daily are dealt with by co-operative dairy societies. Better farming and better marketing have reacted in producing better milk; and this has produced a constantly increasing demand, although, foreign competition being impossible, prices are easily maintained, so long as the trade is organized. For some years the railways were oblivious of their opportunity, and the farmer was at the mercy of middlemen. Then organizations began to spring up, which now largely control the output, and have begun to establish central factories for the conversion of surplus supplies into butter or cheese. The total annual value of dairy produce is now reckoned at £30 millions. In both special and general farming, one of the greatest needs is that of co-operative credit banks, the capital being raised on the security of the members, which would also be the best security for safe lending.

The condition of the labourer is still the blot upon the escutcheon of British agriculture. It has somewhat improved: average weekly wages in England and Wales rose from 11s. 9d. in 1866-70 to 15s. in 1906-8—years in which the price of wheat fell from 54s. 5d. a quarter to 31s. 11d., and beef from 6⅜d. to 5⅝d. per lb. This is not all. The labourer obtains various allowances in addition to his wage. In 1907, the Board of Trade estimated the whole average earnings of ordinary agricultural labourers in England at 17s. 11d. Probably they have since reached in most districts nearly to the meagre level of a pound a week. Many unskilled labourers in towns have a lot hardly less severe, for, if they earn four or five shillings more, they have to pay much more for rent and firing, something more for food, work is much more irregular, and the whole conditions of city life are less healthful. On the other hand, the rural worker's hours are much longer, he has few or no holidays, he is subjected to more petty tyranny, cottage accommodation is generally inadequate and commonly bad, there is no prospect of rising, and there is no interest in village life. These circumstances help to explain the fact that, despite a small improvement, 288,000 emigrants left the United Kingdom for Canada alone in the years 1911–12. The most hopeful sign is the growing appreciation of the importance of the agrarian problem, and the readiness of all political parties to consider it in a generous spirit.

There is one satisfactory sequel to the story of the enclosures sketched in our early chapters. The process of appropriation had gone so far at the beginning of the 'sixties as to threaten the poor remnants of recreation ground left around the great towns, and in particular such "lungs of London" as Wimbledon Common. Largely by the efforts of Mr Shaw Lefevre, later Lord Eversley, a Select Committee was procured in 1865; the enclosure of surburban, and afterwards of rural, commons was stopped, and public management was established, without any attempt to determine legal rights. From 1876 to 1899, there was some retrogression, and the veto power of the lord of the manor has greatly interfered with the protection of commons and the preservation of footpaths. Much, however, has been accomplished; and few civilizing influences, in London particularly, count for more than the admirably regulated parks and open spaces.

## IV. Crusade of the Life-Savers

We saw that, after the national agony of the last serious trade crisis, there was born a sense of compunction, a desire for greater social justice and efficiency, which, stimulated by the wider suffrage and the new schooling, and aided by the simultaneous decay of the landed interest and the old economic dogmas, took form in a remarkable movement of opinion and reforming activity.

These were the days when Lord Rosebery was enthusiastic for the London County Council, and every newspaper (it was before the coming of Mr Harmsworth) had its column of "labour news"; when Mr Booth was completing his evidences of the bulk of London poverty, and Mr Bowley was showing how small a share labour had obtained of the increase of national wealth; when Sir William Harcourt was adding the death-duties to the resources of democratic finance, and playfully declaring that "we are all Socialists now." "With the widening horizon of interest and opportunities"—so spoke Mr Asquith, then Home Secretary, busy curbing the "poisonous" trades, in a speech at Liverpool in January 1893—"there is an ever larger field for a noble spirit of adventure. Behind and beneath the surface of society, there are sights terrible, appalling, and yet inspiring for those who have eyes to see. The labourer who tills the fields which are not his own, season after season in patient industry, with no home for his old age beyond the precarious bounty of public or private charity; the workgirl, old before her time, who lives a life worse than that of a mediæval serf, in the squalor of the sweater's den; the little child who cowers in the cold and the darkness while it listens in terror for the unsteady step which is to it the signal of its parent's home-coming—these, surely, are figures which, if we could only recognize it, are more appalling to the imagination, and more stirring to the sense of wrong, than any vision that ever

inspired Crusader or knight-errant. While these things remain, there is work to be done, and there are spurs to be won, by every soldier who has enlisted in the army of progress."

The Unionist victory of 1895, and the development of imperialism culminating in the South African War, interrupted the pursuit of this chivalric ideal; but it was resumed with redoubled earnestness when the war issue was settled. Much new information as to the condition of the poor had accumulated. To one investigation we may particularly refer. Mr Booth, in a less prosperous period (1887-92), had shown that the classes in which "poverty sinks down to want" counted 314,000 persons, or 35 per cent. of the population in East London. Later, he had shown that, in the larger area of "inner" London as a whole, in a population of 4,309,000, there were 37,000 of the bottom class, 316,000 of the next poorest, and 938,000 of the intermittently employed and ill-paid classes, giving 30 per cent. of Londoners living in permanent poverty. Finally, in 1894, he had shown that nearly 30 per cent. of the population of England and Wales—more than 40 per cent. of the working and petty trading classes—over 65 years of age were in receipt of Poor Law relief in course of a year (one-third indoor, and two-thirds outdoor relief); and that no administrative policy, strict or loose, stood out as definitely the best in checking pauperism of the aged. It was supposed that the gravest of these results obtained only in London

until, in 1901, Mr B. S. Rowntree made a scientific inquiry into the economic condition of the 77,000 inhabitants of the city of York.[1] In this typical provincial town, as it was shown to be—applying a test scale of the lowest cost at which families of various sizes could be maintained in mere physical efficiency—there were found to be no less than 20,302 persons, 27·84 per cent. of the population, or 43·4 per cent. of the wage-earning class, who did not reach the minimum requirement for decent life. These figures tallied closely with Mr Booth's; and, supported by much fragmentary evidence, they proved it to be at least highly probable that, in a time of active trade, there were, in the English towns of 15,000 inhabitants or more, five million people in a state of more or less acute poverty. It was, further, found that children were much more numerous in these very poor families than in the general population, and that, on the other hand, the aged (65 years and over), who would be benefited directly by a scheme of universal pensions, were only 3·62 per cent. of the poor mass.

Nor could any ground be discovered for a comforting hope that things were getting better. The Poor Law statistics—a very unsatisfactory test, it is true, since they are affected from time to time and from place to place by differences of administration—rather suggested that there was no improvement in the amount of pauperism, while its cost was markedly increasing. Thus, in a "statistical

[1] *Poverty, A Study of Town Life.*

survey "[1] of the official figures since 1871, when they first became complete and fully reliable, arranging them in periods corresponding with the tides of trade, Lord George Hamilton obtained this result :

| | Mean numbers relieved. | Mean of average annual rates per 1000 of population. |
|---|---|---|
| 1871-2 to 1879-80 (9 years) | 747,936 | 31·2 |
| 1880-1 ,, 1887-8 (8 ,, ) | 711,625 | 26·6 |
| 1888-9 ,, 1895-6 (8 ,, ) | 694,094 | 23·8 |
| 1896-7 ,, 1905-6 (10 ,, ) | 718,444 | 22·2 |
| 1906-7 ,, 1909-10 (4 ,, ) | 781,236 | 22·25 |

The great reduction of children was balanced by an increase of adult men relieved ; and the close connection between pauperism and casual, unskilled, and agricultural labour was decidedly demonstrated.[2]

What could humane men, conscious of the steady increase of wealth and enjoyment in their own levels of society, say in face of facts like these ? England was reaching the height of a wonderful trade expansion. Sick of costly conquests and of the " fiscal " feud, the country was keen to try experiments in social reform. Challenged in the field of foreign commerce more keenly than ever

[1] *Statistical Society Journal*, December 1910.

[2] Of 1,709,436 persons who received relief in 1907, 538,680 (31·5 per cent.) were permanent paupers ; 530,000 were relieved for less than four weeks in the year ; 640,000 were relieved for longer periods, but not continuously.

before, challenged by the democratic examples of her own Colonies, challenged at home by the newly-fledged Labour Party, it gave rein to its generous impulses; and within a few years, by an effort in which men of all schools of thought had their share, a series of measures were adopted which may be said, without exaggeration, to have revolutionized the social outlook. Old Age Pensions, National Insurance against sickness and unemployment, Minimum Wage Boards, Labour Exchanges, Town Planning, the Development Fund, the measure to which no more limited title could be given than "the Children's Act": it is too soon for any close judgment of these first-fruits of twentieth-century conscience and ambition, and a hundred lesser acts, legislative and administrative, of the same order which have accompanied them. But this much may be safely said: these things characterize our time as plainly as the Enclosure Acts, the Speenhamland meeting, the prosecution of the London Corresponding Society, and Malthus's *Essay* characterize the period with which our story opened. With all the differences, real and factitious, of parties at Westminster, these measures have, at least in idea, commanded general assent. The boldness of the schemes for old age and sickness, and the trivial beginning of a scientific development of natural resources, seem to indicate that the motive of pity has, so far, been much more powerful than the businesslike sense of the profit of better social organization. Whatever the motive, the

supreme fact is that the will of the nation has moved, and moved decisively. Here, for the time at least, lies the centre of gravity of British patriotism.

Postponing for a moment the directly industrial measures, we may now consider briefly those the aim of which was to protect and aid the young, the old, the sick and injured, to develop national resources, and to improve the dwellings of the people. On the first of these points, opinion was stimulated and directed in 1904 by the report of the Commission on Physical Deterioration, which made over fifty recommendations on such subjects as over-crowding, milk supply, adulteration, the medical inspection of children in schools, factories, and workshops, provision for the underfed, and the teaching of hygiene. The Education (Provision of Meals) Act, 1906, effected one of these reforms, enabling local authorities to provide meals for children attending elementary schools, and to recover the cost from parents where they are able to pay.[1] The Education (Administrative Provisions) Act, 1907, imposed on local authorities the duty of instituting free medical inspection and treatment for children in elementary schools. This step was required by the discovery that a large proportion of scholars suffered from malnutrition and from defects of the ears, eyes, and teeth. The Children Act, 1908, was aimed at the abuses

[1] In 1911, the cost of free meals to the rates was £145,000 (£88,000 in London), only £1,507 being recovered from parents, and £2,796 being received in voluntary contributions.

of baby-farming, gave the courts larger powers in cases of cruelty, forbade the selling of tobacco or drink to children, established special courts and probation officers for youthful offenders, and further regulated industrial schools. This legislation has been supported by a very considerable increase of administrative and voluntary labour. The number of school children has practically come to a standstill; but the public cost of education has rapidly increased (p. 320, *ante*), although few children over 14 years of age have yet been brought into public schools. In his statement on the Estimates in 1913, Mr Pease said that 200 schools for mothers had been established; 780 nurses were in employment in 21,000 schools; 943 doctors were giving medical service; 31 authorities were contributing to hospitals; 56 had established school clinics; and expenditure on medical treatment was being made by 229 authorities out of 317. The most liberal of our grandfathers would hardly have dreamed of these things, which have been done by general consent.

The feeling of the inadequacy of the Poor Law and its harshness, particularly in the case of the aged, was greatly strengthened by the information provided by Mr Charles Booth, and by the findings of the Royal Commission of 1893-5, which urged that the deserving should receive either fully adequate out-door relief or comfortable maintenance in institutions. The demand for a system of old-age pensions was actively countenanced by

Mr Chamberlain, and in 1906 a favourable resolution was carried in the House of Commons. In April 1907, Mr Asquith, then Chancellor of the Exchequer, pledged the Ministry to action; and, in May 1908, Mr Lloyd-George introduced the Bill which received the royal assent on August 1. As amended in 1911, it established non-contributory pensions of five shillings a week at the age of seventy for every British subject of twenty years' standing resident in the United Kingdom, not insane or a criminal, not in receipt of poor relief, and not having other means beyond £21 a year. In 1913, nearly a million old folk were in receipt of pensions, at a cost of less than thirteen millions sterling. The scheme was financed under the graduated income-tax and super-tax provisions of Mr Lloyd-George's famous Finance Bill of April 1909, which, rejected by the House of Lords, was enacted a year later, after a Ministerial victory in January 1910. The effect of old-age pensions in reducing pauperism is illustrated by the following comparative figures:—

| *England and Wales.* | *January* 1909. | 1914. |
|---|---|---|
| Total number of paupers | 850,460 | 646,313 |
| Outdoor ditto . . . . | 561,629 | 378,649 |
| | *January* 1906. | 1913. |
| Total paupers over 70 years of age . . . . | 229,474 | 57,770 |
| Outdoor ditto . . . . | 168,096 | 8,563 |

Very much more complicated is the system of

contributory insurance set up by Mr Lloyd-George's Act of December 1911. The great mass of the working population between the ages of 16 and 70 come by obligation under the health section of the scheme, which is worked to a large extent through the existing friendly societies. The financial basis is a joint contribution by employer and employed of 7d. per week in the case of men and 6d. in that of women, the employer being responsible for payments and being authorized to deduct the workers' contribution, 4d. or 3d., from wages. The State contributes two-ninths of the male and one-quarter of the female benefits. These include medical treatment, sanatorium treatment, sickness allowances (generally 10s. a week for men, and 7s. 6d. for women, for 26 weeks), disablement benefit (5s. a week indefinitely, after the cessation of sickness benefit), and maternity benefit (30s. to an insured woman, or the wife of an insured man). Insurance against unemployment was a new, and obviously a very difficult, venture. It was, therefore, applied, in the first place, to only four groups of trades—building, construction of works, ship-building, and mechanical engineering, together with iron-founding, saw-milling, and machine woodwork. In these employments, $2\frac{1}{4}$ million men at once became insured. The scheme may be applied to other trades, provided that the cost to the State does not exceed a million sterling per annum. Master and man each pay $2\frac{1}{2}$d. per week, and the State $1\frac{2}{3}$d., the odd $\frac{2}{3}$d. being for costs of management.

The benefit is normally 7s. per week unemployed; but only fifteen weeks' benefit can be drawn in one year, and no more than one week's benefit for every five contributions paid. At the age of 60, a workman who has paid 500 contributions may recover the whole, with interest, less the amount of benefits received; and an employer who keeps a workman continuously employed throughout the year may recover a third of his own contributions. Employers may not deduct their own contributions from wages.

We may here note that the principle of employers' liability for accident was, in 1906, extended to practically the whole field of industry, including domestic servants. It was estimated that six millions of workers thus gained the possibility of compensation of this kind. In 1912, more than three millions sterling was awarded as compensation in 3,599 cases of death and 424,406 of disablement, the average payments being, respectively, £158 and £6, 3s. 0d. Two other institutions arising from the famous Budget of 1909 are the Road Board, which administers an income of nearly a million a year, coming from petrol duties and carriage licences, for the improvement and construction of roads; and the Development Commission, which has an income of half a million, and has subsidized agricultural and forestry research and instruction, tobacco-growing, cattle breeding, and harbour improvements.

These are comparatively "new-fangled notions" of the duties of the State; they belong essentially

to the twentieth century, and the great change of heart and mind it has witnessed. The housing reform movement has a longer history; and we must refer to it more fully, by way of happy sequel to our account of the rise of the slums. It may be dated from the foundation of the Metropolitan Association for Improving the Dwellings of the Industrial Classes, in 1841, and its incorporation four years later. Lord Shaftesbury was one of its most active leaders; and the Prince Consort showed his interest by becoming president of a kindred body, the Society for Improving the Condition of the Working Classes. For many years, these and other organizations worked to little effect, so far as Parliament was concerned; but public interest was gradually aroused, and administrative action, central and local, was stimulated. In 1851, two Acts were passed enabling local authorities to provide municipal lodging-houses for artisans, and bringing common lodging-houses under control. The former measure seems to have been quite inoperative. The Nuisances Removal Act of 1855 made possible the closing of houses injurious to health, and the abatement of overcrowding; but it was long ere these powers were put into force to any considerable extent. In 1855 and 1866, Acts were obtained to encourage the private building of workmen's dwellings. In 1864, Miss Octavia Hill began her work of model rent-collecting and gradual reform, John Ruskin buying the buildings in two courts, and giving them to her to manage.

This kind of philanthropic effort was taken up by Miss Cons and others, and was slowly extended, until the creation of a large volume of interest, represented by the establishment of the Mansion House Council in 1884, made bolder methods possible.

The Artisans' and Labourers' Dwellings Act of 1868 (the Torrens Act) provided for the improvement or demolition of existing buildings. This Act seems only to have affected about two thousand houses in five cities. At the same time, however, considerable improvements were effected in Liverpool and Glasgow under private Acts. By the Cross Act of 1875, powers of building or demolition were extended to larger areas. This measure was put in force on a large scale in Birmingham and other towns. Still more important was the less direct effect of the Public Health Acts of 1875 and 1891 (the latter limited to London). Further Housing Acts followed in 1885 and 1890, the former resulting from the Royal Commission of which the Prince of Wales, afterwards King Edward, was a member, and the latter amending and consolidating previous legislation. In the next fifteen years, loans amounting to £2,300,000 were raised for improvement schemes. These Acts were further amended in 1894, 1900, and 1903. Local authorities now have extensive powers of inspection, supervision, demolition, construction, and land-purchase ; and the adoption of these measures was greatly enforced by the Town Planning Act of 1909,

under which the Local Government Board can move reluctant bodies to effective action.

In 1889, the birth-year of the London County Council, Mr Frederick Greenwood thus summarized his conclusions from an intimate knowledge of the problem: "that the lack of house-room, the enormous rents that have to be paid for accommodation which is insufficient for decency, let alone for comfort, are one of the greatest grievances of the poor in London; that by none is it felt so heavily as by the more intelligent and provident of the working classes; that the education we are at such pains to provide them does, by its most certain and most desired consequences, promote rebellion against the costly squalors of the workman's home; that, while education constantly enlarges the longing for some share of the refinements of life, the overcrowding which renders common decency impossible, even when a cruelly disproportionate part of the workman's income goes for rent, increases; that the causes of discontent are likely to grow, while indisposition to bear with them grows also; and that while no legislative remedies that are not worse than the disease can be found, yet some that are plausible may be forced into experiment." This prophecy has been both confirmed and disproved, for, while legislation has been forced, it has certainly not been found to give results "worse than the disease." It is still, no doubt, true that the main improvements have come less from direct than indirect agencies—the advance of

education, popular government, and newspaper publicity, the centrifugal effect of improved railway and tramway communications, the check at the source of overcrowding by the decline of the birth-rate. But much has certainly been accomplished in pulling down and building better, both by private and public effort. About 150,000 persons have been housed in London by the Metropolitan Association, the Improved Industrial Dwellings Co., the Peabody Trust, and similar bodies, which obtained land from the Board of Works, in its day, at nominal prices. With the advent of the London County Council, the period of municipal provision on a large scale began; and, down to March 1911, the Council had spent some three millions sterling on housing, and had 24,300 tenants. To 1906, 142 local authorities had availed themselves of the powers of municipal building, and 20,506 dwellings had been erected.[1] These were, of course, only beginnings. In 1901, the Census showed that $8\frac{1}{5}$ per cent. of the population of England and Wales (*i.e.* 2,667,506 persons) lived in a condition officially described as overcrowded—that is, having more than two persons per room. In 1891, the proportion had been $11\frac{1}{4}$ per cent. In 1911, it still stood at over 8 per cent., a figure which shows how much has yet to be done to reach a fair minimum of decent life-conditions. The seaports and some northern industrial towns are in

[1] Details in *The Municipal Yearbook*, and *The Housing Yearbook*, by Ald. W. Thompson.

the worst case; and Scotland is decidedly behind England. In Ireland, on the other hand, very great progress has been made, nearly forty thousand cottages having been built up to 1912, at a cost of eight millions sterling, by loan under the Land Purchase Acts.

The Town Planning Act, 1909, consecrates an idea new to this country, though long familiar on the Continent. The establishment of Port Sunlight by Messrs Lever in 1887, of Bournville by Messrs Cadbury in 1889, and of the Hampstead Garden suburb in 1904, showed what could be done by enlightened private enterprise; and types of garden cities, garden villages, and garden suburbs have been gradually evolved, many of them under co-operative ownership and management. At length, in 1909, the principle of collective organization received the sanction of the legislature. The first half of the nineteenth century was a period of undisguised and unmitigated anarchy, the latter half a period of regulation, at first timid, but growing in efficiency, and of private effort to cope with a problem far beyond the possibility of such solution. The Town Planning Act, with its provisions enabling local authorities to buy and develop "land likely to be used for building purposes," to limit the numbers of buildings per acre, their height and character, and to claim half the increase of value of any property rising from such schemes, marks the definite abandonment of *laisser faire* in this domain, and the

acceptance of the principle of public rights and responsibility.

Is there any large result yet to show for the vast expenditure involved in these far-reaching schemes ? Official returns show that, in England and Wales alone, what has been called the " beneficiary public assistance," given in the forms of poor relief, education, and old-age pensions,[1] rose from £14,250,000 in 1891 to £24,170,000 in 1901, and £51,896,000 in 1911, and to something like £66 millions in 1913. These are far from being the whole of the costs of social betterment, which include expenditure on public health and sanitation, factory, workshop, and mine inspection, public baths and washhouses, parks and commons, other municipal outlay, and a large amount of private philanthropy. What is there to place to the other side of the account ? It is inevitable that rapidly expanding Budgets should be subjected to questions like this, though they admit of no full or exact reply. The highest satisfactions of life are immeasurable in material terms, and must rest upon a consensus of individual experiences. But there is a class of evidence as definite as could be desired, and of the largest significance, to which we may here very briefly refer. Let any unbeliever turn to the annual reports and quinquennial supplements of the Registrar-General of births, deaths, and marriages.

[1] Including hospitals provided by local authorities other than poor-law infirmaries, costs under the Unemployed Workmen Act, 1905, and the provision of meals and medical inspection and treatment of school children.

He will find, in the first place, that the general death-rate of the kingdom has been reduced by more than a quarter in twenty years—from 20 per thousand living in 1891, to 14·8 in 1911. He will find that there are still very wide divergences of health experience, some occupations, and districts where certain occupations preponderate, having a shockingly excessive mortality. But he will also find a general and remarkable improvement in the last twenty years, and particularly in the last decade. For instance, the average yearly death-rate (per 10,000 living) from tuberculous diseases in the last decade of the nineteenth century was only 20·2 in the agricultural county of Dorset, and was 39·3 for England and Wales as a whole. From this point, it rose to 43·3 in Birmingham, 45 in Bradford, 51 in Blackburn, 52·5 in Preston, 55 in Leeds, 59·5 in Manchester, 61·9 in Liverpool, 65·2 in Wigan, and 77·5 in Salford. Consumption, in fact, was nearly four times as prevalent in rich Salford as in poor Dorset. A longer view, however, throws the emphasis on a very different result. The fight against consumption is being waged most gallantly, and already with splendid success, as the following summary of thirty years' experience shows :

PHTHISIS—ANNUAL DEATHS PER 10,000 LIVING

| | 1881-90. | 1891-1900. | 1910. | Decrease. |
|---|---|---|---|---|
| Westmorland | 14·5 | 9·5 | 6·4 | 8·1 |
| West Riding | 18·7 | 13·9 | 9·4 | 9·3 |
| *England and Wales* | *17·7* | *13·9* | *10·1* | *7·6* |
| Northumberland | 21·6 | 16·7 | 11·4 | 10·2 |
| Lancashire | 19·7 | 15·3 | 11·8 | 7·9 |
| London | 20·5 | 17·3 | 12·2 | 8·3 |

That is to say, 27,000 fewer persons died in 1910 of phthisis in England and Wales than would have died had the rate of 1881–90 been maintained. What the saving of 27,000 lives a year may be worth in "beneficiary public assistance" we leave it to others to try to reckon.

## V. UNEMPLOYMENT, STRIKES, THE MINIMUM WAGE

Three topics of large industrial importance remain for mention: unemployment, with recent measures to reduce it, or soften its effects; trade disputes, and measures to procure their peaceful settlement without the suffering of strike or lockout; and that measure which most clearly shows the revolutionary change in British economic thought, the State-imposed minimum wage.

Although there has not often been abnormal

unemployment since the mid-'nineties, a considerable advance has been made in the understanding of this complex disease of modern society. As in the case of town-planning and national insurance against sickness, we owe much to German examples; much again is owing to the long investigation of the Poor Law Commission (1905-9). The crude impulses of spasmodic charity, and the hardly less crude trust in emergency relief works, have given place to an honest recognition that unemployment is a general and permanent malady calling for general and permanent treatment, whatever special measures may be rendered necessary by the larger dips of the trade cycle. We say "an honest" recognition, because it is, for the twentieth century conscience, if we read it aright, as dishonest for employers and society at large to trust to a reserve of labour (necessary to the working of the industrial system), indifferent to how that reserve manages to live, as it would be to require an army or navy reserve without giving it any pay in time of peace. This obligation, as well as the interest of society in the physical fitness of all citizens, is recognized in the system of national insurance against unemployment, already outlined, to which employers and the State, and not only the workmen, make contributions. The next task is to prevent the increase of the labour reserve, and to reduce it as far as possible. This involves two kinds of measures—the regularization of industrial employment (including special provision for times of bad

trade), and the raising of the physique, intelligence, and mobility of the individual worker.

Some, though very insufficient, progress has been made in both directions. All over the country, employers, municipalities, schoolmasters, and other persons of influence are beginning to recognize the mischief that comes of turning boys and girls out of school into "blind-alley" employments, the importance of physical culture and technical instruction, and the even greater importance of a more extended general education, as a means to more fruitful activity and adaptibility of mind. One good feature of the insurance scheme is that it gives employers an inducement to "decasualize" their labour force. Seasonal and cyclical fluctuations, and those due to changes of industrial structure, open out a series of problems which have yet to be grappled with seriously.[1] The most considerable step taken consists of the establishment in large towns throughout the country of labour exchanges, worked by the Board of Trade in close conjunction with the system of unemployment insurance. The first experiments in the registration of workers seeking jobs were made by a few private individuals, and afterwards by a few muni-

[1] Mr B. S. Rowntree's investigations showed that more than a half of the unemployed in York were persons most of whom had for years depended on casual work for a livelihood, and that about a half were not in any way disqualified for work. The author concluded that "improved morale and increased technical ability, important as they are, can never solve the problem unless they are associated with wide industrial and economic reforms" (*Unemployment, A Social Study*, by B. S. Rowntree and B. Lasker, 1911).

cipalities, from 1885 onward, being nearly always associated with the administration of distress relief funds. The Unemployed Workman Act, 1905, while chiefly designed for the institution of relief works, gave power to establish registries; and the Central (Unemployed) Body for London used this power, setting up twenty bureaux which, in a year, filled over thirty thousand vacancies. The Labour Exchange Act, 1909, created more than four hundred exchanges, with Post-Office co-operation, and a tentative system of travelling clerks for the purely rural districts. About a million vacancies were thus filled in 1912; and, in some large towns, masters, with the agreement of the trade unions, take hands only from the Labour Exchange. It is provided by the Act that "no person shall be prejudiced on account of refusing to accept employment where the ground of refusal is that a trade dispute which affects his trade exists, or that the wages offered are lower than those in the trade in the district." The Board of Trade is empowered to advance travelling expenses to men for whom work has been found at a distance; and most of the money so advanced is regularly recovered.

The unemployed insurance system is worked to the extent of one-quarter or one-third through the trade unions or other voluntary associations, and for the rest through the labour exchanges. It came into operation only in July 1912, and benefits began only six months later; moreover, this was

a period of minimum unemployment, so that the proof lies in the future. The administrative practicability of the scheme is, however, regarded as established; it appears to have increased, not discouraged, voluntary insurance; and a substantial fund is accumulating against the next wave of trade depression. Less than a fifth of the workmen brought in in the first year ($2\frac{1}{4}$ millions) had previously been insured against unemployment. The grave fact is that, in six months of booming trade, 560,000 claims to benefit were received. Very few were fraudulent, and less than 9 per cent. were disallowed. The claims were estimated to represent 400,000 individual workmen. In most cases, the term of idleness was short, representing change rather than lack of employment. It is in shortening these breaks that the labour exchanges and other measures of organization will be serviceable. But, at the best, the discovery that at least "one in every five or six of the workmen in these trades has been unemployed at some time or other during six months of exceptional prosperity" gives matter for anxious reflection.

That, during this prosperous period, labour disputes were unusually frequent and extensive leads us to a new set of considerations. The following figures measure what has been called the "strike fever":

| Years. | No. of Disputes. | Persons Affected. | Duration in Days. |
|---|---|---|---|
| Average of 1901–10 | 463 | 221,058 | 4,258,859 |
| 1911 | 903 | 961,980 | 10,319,591 |
| 1912 | 821 | 1,437,032 | 40,346,400 |

It may be said at once that the exceptional record of the last two years was due chiefly to the great strikes of transport workers and coal miners. The general railway strike, and the series of linked strikes in the transport trades which followed it, in 1911, constituted an extraordinary effort of ill-organized groups to improve their position, as regards both wages and recognition of the unions, ere the period of prosperity should pass. It was largely successful in both respects ; and, in a year, 340,000 trade unionists were recruited, chiefly in the ranks of unskilled labour. It showed a decided tinge of the " Syndicalist," or quasi-revolutionary, thought which is as embarrassing to Socialists of the parliamentary order as to old-fashioned trade unionists, and in some of its features recalled the great struggles of the later 'eighties. The coal strike of 1912 brought into the field, on the other hand, a million men fully organized and long experienced in parliamentary action, intent not on higher wages all round, but on a minimum that would benefit only about a fifth of their number. In these and many other cases, however, a general sense

of the inadequacy of the workman's share in the recent increase of wealth counted for much, and commanded sympathy in other classes. In a decade of swelling fortunes, nominal wages had, as a whole, been stationary, real wages had actually declined. Of eight million adult men engaged in regular occupations in the United Kingdom, nearly a third, when in ordinary full work, were earning only 25s. a week or less, over a half were earning only up to 30s. Add to this the tragic possibilities of sickness, disablement, and unemployment, and the wonder lies not in an occasional outbreak of "strike fever," but in the mass of little, constant sacrifices which make the growth of trade unionism possible. The speeding-up of industrial processes and the rise of industrial intelligence—compare the modern taxi-cab driver with the ancient jehu!—must needs aggravate the problem. The average man's wants grow, in fact, faster than his means of satisfying them. The question of social peace would be much simplified if we had nothing but law and order to think of; and the question of social justice would be simplified if law and order did not matter a fig. There may be some ideal point in philosophy at which peace and justice are perfectly wedded: peering through the dusty air of this most unphilosophical world, it would seem that these starry sisters are commonly at variance. History, it is true, encourages us with proof that peace and justice have both progressed, so that the reconciliation cannot be impossible. But, lest we take this

comfort too easily, new forms of the old difficulty are constantly arising. The would-be pacifist, in this predicament, does well to remember that not an indulgence of generous sentiment, but a scientific understanding of the facts, will best aid him.

Thus, it is possible to exaggerate the mischief and the "futility" of strikes, and to advocate peremptory methods of settlement, in such a way as to give a false view of the industrial situation. Taking all the disputes in 1910 which came within the cognizance of the Board of Trade, we find that only 16·3 per cent. of the workpeople were fully successful—and then sometimes rather against other workmen than against employers—while 13·6 per cent. definitely failed, and the remainder accepted compromises. The proportion of compromises has increased, that of both complete success and complete failure has fallen greatly. This may be a testimony to British reasonableness, or it may be a reflection of the fact that, while the organization of both capital and labour has proceeded rapidly, the stationariness of real wages has prevented the trade unions from accumulating strike funds. The total of income assessed for income-tax increases by about £30 millions a year; the net increase of wages in 1911 amounted to only about £1,400,000, which, according to Mr Philip Snowden, M.P.,[1] was more than extinguished by the

[1] *The Living Wage*, 1912. Mr Snowden argued that "a strike never did bring much substantial gain to the workers," and that "the strike is likely to be less effective in the future even than in the

loss of wages during the strikes. The loss, however, was for one year, the gain, presumably, was more lasting; and a strike leader would say that, but for the strikes, the loss would be much greater, and would be permanent. As to the mischief to the community, grievous as it is, it also may be exaggerated. Strikes are, at least, a great safety-valve; it might plausibly be argued that they have saved England from revolutionary and anarchistic movements familiar on the Continent, and have given inevitable conflicts of interest a relatively peaceful and orderly form. It is certain that the workers will not lightly abandon this their last moderate weapon.

We briefly distinguished, in an earlier chapter, the methods of negotiation, conciliation, mediation, and arbitration which were in use a generation since, subject to the generally accepted principle that wages must follow prices. Experience has suggested

past." He concluded that voluntary conciliation was "not strong enough to deal with serious disputes," and warmly advocated "compulsory arbitration." Incidentally, he scolded the Trade Union and Socialist Congresses for condemning "compulsory arbitration" in industrial, while demanding it in international, disputes. There is vague thinking here. "Compulsory arbitration" is a misnomer in any case; and there could be no such thing in international life without the creation of a coercive international authority, which no democrat would advocate. Permanent or obligatory arbitration, which is what most pacifists demand, is a very different thing, implying no outside coercion, but only a general willingness to arbitrate, and a moral obligation to accept an award when arbitration has been entered upon. The kind of international settlement generally demanded is the same as that which trade unionists and employers practise daily.

new kinds of pacific process; and we may now adopt a somewhat different classification of the possible expedients, thus:

1. *Investigation* of disputes, and *publication* of reports thereon. This elementary form of action, valuable for the parties to any dispute, but even more important for the guidance of Parliament and public opinion, is illustrated by the usually admirable publications, regular and special, of the Board of Trade. It makes the growth of well-informed and equitable views on the remuneration of labour more and more a function of good citizenship.

2. *Direct Negotiation*, by arrangements having various degrees of permanency. The daily work of ten millions of operatives cannot be conducted without frequent differences arising; but it must be remembered that many are quietly settled for every one which becomes public. In the latter, direct negotiation is the commonest method of settlement (accounting for half the usual number of agreements affected); and it is wholly desirable that this should continue to be so, for a voluntary pact is worth many forced bargains. Its efficacy is usually proportionate to the organization of both parties, whose officials thus far resemble the Diplomatic services and the Foreign Offices of the international field. The recognition of trade unionism is now general throughout the skilled trades. The principle may be said to be established. But the great majority of unskilled and female workers are still unorganized; and here the battle rages

round the question whether a particular union is really representative, and can govern its members, rather than the general principle of collective bargaining. Progress is also hindered by the fact that, in many parts of the transport and unskilled trades, the masters are not organized.

3. *Mediation and Conciliation*, that is, the offer of friendly advice to the parties by some impartial outsider, or the provision of guidance by standing committees or referees. The Labour Department has recently been very active in this field, and its mediation has been effective even in some desperate cases. Conciliation is in its nature elastic, and it takes many forms, both spontaneous and permanent. Until 1907, organized conciliation counted for comparatively little in the actual settlement of disputes, simply because it was rather, and most successfully, exercised to prevent their coming to a head. In the great productive industries, however, much good has been effected by conciliation boards representing a given trade, or section of a trade, in a given locality, or representing a wider or more mixed constituency. Most of these bodies are particular trade boards; the few general and district boards have been less successful. The coal and iron trades have been thus regulated for many years; and, in its general operation, over seven hundred disputes a year are settled by this method. In addition to the sliding scales they administer, the work of the conciliation boards is in some cases strengthened by special types of

agreement, giving a character of obligation to the process. Two instances may be cited. In the cotton trade, the Brooklands agreement of 1893 forbade any stoppage of work until joint-committee negotiation had been tried. As amended in September 1911, the agreement provided that if, despite the conciliation machinery, a strike or lockout should take place, representatives of masters and men should meet within fourteen days, and at least monthly thereafter, till the dispute ended. Nevertheless, a great lockout in the cotton trade took place during the following winter. A lockout of boiler-makers in September 1910, said to be due to infractions of an existing shipyard agreement, led in March 1911 to the establishment of a new compact under which the Shipping Federation, on the one side, and the unions, on the other, gave individual and collective assurances that they would go to the conciliation board without stopping work, and would punish their offending members, allegations of breach of the agreement to be dealt with by joint-committee. The trouble here is not that the men are unorganized, but that they belong to different unions, the interests of which do not always coincide. This agreement might, perhaps, be most accurately called obligatory direct negotiation. There is also a single case of what may be termed guaranteed conciliation or arbitration—that of the boot- and shoe-trade agreement adopted in 1895, and several times renewed, by which a sum of £1000 was deposited by either party

against breach of the agreement or of awards under it.

4. *Arbitration proper*—that is, the voluntary submission of a dispute to be tried on its merits by some more or less impartial person or persons. The process properly implies a voluntary submission, and a judgment—not merely a conciliatory suggestion; but it may, or may not, involve acceptance of the award. If the masters and men in any trade undertake in advance for a term of years to submit their differences to arbitration, this is *permanent* arbitration; if they also undertake to abide by the judgment, this would seem to be best described as *permanent obligatory* arbitration. In no case is there any outside compulsion. Whether these precise terms be used or not, it is important that the character and limits of the different processes should be understood. It may be asked, for instance, why the quasi-legal arbitration in commercial differences, provided by the Act of 1899, and now a valuable adjunct of the regular law-courts, has never been imitated in the industrial sphere—why, indeed, it was specifically excluded by the Industrial Conciliation Act. The reasons are not far to seek. Working-class opposition to legally enforceable awards is not blindly unreasoning: it rises out of the facts of the case. Disputes between two individuals, or even two nations, are radically unlike disputes between an employer and a body of workers. There are two main differences: (1) the industrial dispute often is, or may become,

a matter of life and death—the employer may be ruined, the workers may starve. On the other hand, commercial men need not, and usually do not, submit matters of life and death to the legal arbitration of the Act of 1889, which is rather regarded as a speedy and inexpensive way of disposing of minor causes. Even in international affairs, where there is no enforcement of awards, matters of "honour and vital interest" are almost universally excepted from arbitration; and if this exception should ever be generally abandoned, it will be because war has become more intolerable than any possible arbitral award. (2) Commercial litigants are usually equal individuals, well within reach of the arm of the law. In the relations of employer and employed, there is always an essential inequality, and on one side there is a great lack of effective personality. Ordinary litigants can wait, employers can perhaps wait, and they have money to be seized. Workmen are, for purposes of punishment, an elusive quantity. And workmen cannot wait: in the last resort, their only strength lies in numbers—a positive weakness in a waiting game. These two differences are really one. Workmen cannot easily be pursued at law, because of their poverty; and they cannot wait, because they are always fighting over, or in the region of, essentials.

The number of disputes settled by arbitration has always been small. Thus, in 1910, only 24 disputes, affecting 8,224 workpeople, were so ended.

But it must again be recalled that the existence of arbitral arrangements is valuable in preventing quarrels from ripening to the point at which they are officially recorded. Conciliation and arbitration have been most successful in the mining industry, which accounts for over a third of the successful cases in the last decade. The textile, metal, engineering, and shipbuilding trades come next, and the building and clothing trades—where labour combination is weakest—a long way after.

5. *Judicial or administrative process*, including what is called "compulsory arbitration." The Canadian, New Zealand, and Australian experiments are most interesting and suggestive, though of little direct value in the more complex circumstances of Great Britain. Under the Canadian Industrial Disputes Act of 1907, change in any contract of employemnt in certain industries is forbidden, except after thirty days' notice. If such change be disputed, there is thus an interval for investigation and conciliation; and, until the award has been published, a strike or lockout is illegal, and is heavily penalized. The Canadian Trade Union Congress in 1911 asked for the repeal of this Act. Under the New Zealand Conciliation and Arbitration Acts of 1894 and 1908—the first pioneering measure being the work of Mr Pember Reeves — "compulsory arbitration," that is, a quasi-legal trial with penalties imposed by the State, follows upon the failure of voluntary conciliation; and an agreement in the one case, or an

award in the other, is legally binding not only on the immediate parties, but on the whole trade in the district concerned. The parties are then forbidden to strike or lockout, under penalties of £10 for a workman and £500 for an employer. In industries supplying necessaries, masters and men are further forbidden resort to strike or lockout except after fourteen days' notice. In Australia, there is both State and Federal compulsion of an experimental kind; and, in Victoria, wages boards have fixed minimum wages in over ninety trades.

Such success as the Dominions have achieved along these lines is proportionate to the differences between their politico-economic position and that of the Mother Country. The chief of these differences are as follows: the Canadian and Australasian communities are relatively new, relatively small, and preponderantly agricultural. They are perfectly free, homogeneous democracies, unhampered by historic survivals, Old-world entanglements, or the duty of governing great tropical dependencies; they do not yet even bear any substantial share in the cost of imperial defence. Industry is a secondary activity; they have plenty of accessible land and a sparse population; on the strength of their potential wealth they obtain easy credit. The raising of the remuneration and conditions of labour is, then, a comparatively easy task, requiring chiefly the social will to check parasitism at one end and monopoly at the other. This will is provided by the Colonial spirit, arising from the fact that the

Colonies were built up by men who sacrificed their homes in the Old World in order to breathe a freer air; and it is, perhaps, aided by a protectionist system which they regard as enabling employers to pay good wages, not as enabling statesmen to pay for great standing armies and navies. The British circumstances are in all these respects radically different. They are, above all, infinitely more complex; and an understanding of the various processes distinguished above is essential to any useful consideration of the possibility of extending further the functions of the State in relation to industry. In Great Britain, judicial or administrative compulsion of this kind has been applied, so far, in only two cases, to which we shall refer presently—the sweated trades under the Trade Boards Act, 1909, and coal-mining under the Minimum Wage Act, 1912. This is not conciliation and arbitration at all, but law. But much has been accomplished since the first serious attempt was made, in 1896, to give State stimulus to the voluntary settlement of disputes. By the Conciliation Act of that year, the Board of Trade was empowered to make inquiries, to appoint a conciliator on the application of one side, or an arbitrator on the application of both; and, under Sir George Askwith, this sort of intervention has developed triumphantly.

After the transport strikes of the summer of 1911, the Government established an advisory Industrial Council, consisting of twenty-six eminent repre-

sentatives of employers and men in the great trades. One of its first duties was to investigate the possibility of securing a better fulfilment of industrial agreements, when they are arrived at; and the report [1] is significant of the trend of opinion. The Council, while noting that industrial agreements must be left more elastic than commercial contracts, found that "in most cases they are well kept." The exceptions are generally in unorganized, or incompletely organized, trades. "Where agreements made through properly organized machinery for dealing with disputes have been broken, it is frequently found that they were made at times when, owing to the abnormal conditions, great difficulty must have been experienced in arriving at a fair adjustment." Questions of interpretation arise; agreements should always provide for their reference to arbitration, strike or lockout being forbidden till the interpretation is obtained. The Council favoured a delay before cessation of work, to permit of mediation and "a pronouncement upon the question at issue by some independent body or impartial tribunal"; but it declared against "compulsory" arbitration. It had been proposed that breach of agreement should be punished either by monetary penalties, or by legally prohibiting financial or other assistance to those in breach. The Council pointed out, however, the importance of maintaining the principle of collective bargaining, which might thus be injured by the threat of

[1] Cd. 6952 of 1913.

such penalties deterring workpeople from entering into agreements. There is also the obvious difficulty of enforcement. "The conclusion of the Council is that, in the long run, the fulfilment of agreements is more likely to be secured by an increased regard for the moral obligation, and by reliance upon the principles of mutual consent, than by the establishment of monetary penalties, or the legal prohibition of assistance." With regard to the extension of an agreement from the immediate parties to a whole trade or district, "especially where the workmen's organizations are not sufficiently strong to secure general observance," the Council recommended that if, after inquiry, the Board of Trade were satisfied that the immediate parties were substantially representative, and that the agreement was a proper one, it might be declared extended, "and its terms thereupon become implied terms of any contract of service in the trade or district concerned."

A moment's reflection as to the actual structure and functioning of industry will show how necessary is the conservative spirit illustrated in these phrases. Raw, wholesale compulsion is practically impossible; to attempt it would be gravely to discredit the State, and to aggravate the possibilities of conflict. Voluntary methods need patient waiting, if only because they depend upon the development of trade unionism, and its full recognition by employers' organizations; but they visibly succeed, and they constantly create new expedients which

carry the great movement forward. What could law, with its peremptory and rigid method, accomplish in this field? Men do not only strike for increases, or against reductions, of wages. They strike against the introduction of non-union labour, against unpopular foremen, against the penalizing of trade-union officials. They demand the restriction of piece-work, the limitation of apprentices or female labour; in the end, they demand the removal of "blacklegs," and the reinstatement of the old hands. Then, there is the old, yet ever new, problem of the "sympathetic" strike. How are questions such as these to be judicially decided? The variety of industrial incident is indescribable. In 1910, rather more than half a million persons were engaged in 531 officially recorded disputes; one of these alone affected 102,000 persons, yet it arose from the discharge of a single man. Normally, disputes about wages constitute about a half of the total. A minimum wage is not altogether easy; but above the minimum, how are differences to be judicially decided? Neither trade-union leaders nor captains of industry will rush into these dark places.

That these practical hesitations about the legal regulation of normal adult labour are not to be confused with the dogmatic scruples of the Victorian age is, however, proved by the rapidly extended application, at the same time, of the principle of the minimum wage. It began with the specifically "sweated" trades. Here we are at the opposite

pole from those occupations in which high organization has made possible an orderly progress. Women workers are almost wholly without combination; the fact that they rarely strike only reflects their poverty, timidity, and fatalism, and their relative lack of skill. Two-thirds of the women over 18 in the clothing trades earn less than 15s. by a full week's work; and in the food and other trades the level of pay is still lower. After the publication of the Report of the Lords' Committee in 1890, a movement arose to secure a legal "living wage." For many years, its advocates cried in the wilderness, along with Socialist orators who wished for a larger use of the same prescription. The formation of the Women's Industrial Council and the Anti-Sweating League marked a new sense of what Lord Milner called "this national disgrace." In February 1908, Sir George Toulmin introduced a Bill for the establishment of wage-boards, with power to declare a minimum wage in trades to be scheduled by the Home Office. The mind of the country was now prepared for a great advance. The Government approved the principle of the Bill, and referred it to a Select Committee on Home Work. A year later, Mr Winston Churchill, for the Board of Trade, introduced a Government measure applicable only to exceptional industries, which he characterized as unorganized, immobile, and carried on under morbid economic conditions. This "first modern proposal of Government machinery to settle and enforce the rate of wages

was," he said, "an experiment and a revolution." Mr Balfour and Mr Lyttelton approved, with reservations; and the Bill received royal assent on October 20, 1909. The Trade Boards Act empowered the Board of Trade to make, for any trade or branch of a trade in which wages are "exceptionally low as compared with other employments," a provisional order setting up a board consisting of representatives of employers and workmen in equal numbers, with a smaller number of nominated members. These boards fix minimum time- and piece-rates, which may come into effect at once by agreement, and may be made obligatory by order of the Board of Trade. Within four years, rates had been so fixed in the following trades, embracing about 400,000 workers: chain-making, machine-made lace and net-finishing, paper and cardboard box-making, ready-made and wholesale bespoke tailoring (garments to be worn by male persons), the sugar, confectionery, and food-preserving trades, shirt-making, the sheet-metal and hollow-ware trade (including tin-box and canister making), and linen and cotton embroidery. An allowance to cover loss of time and travelling expenses is made to representative members of the boards. The minimum wage usually varies from $2\frac{1}{2}$d. to $3\frac{1}{2}$d. an hour for women—which have been estimated to give the lowest possible weekly sum on which physical fitness can be maintained—and is about 6d. an hour for men. Important provisions prevent evasion by the increase of so-called

"learners"; thus, in the box-trade, all "learners" must be certificated, they must receive some instruction, they are limited in number, and they must reach adult pay after three years, or at the age of 18.

The early working of the trade boards has revealed various difficulties, none of which seem to be insuperable; on the other hand, it has given an immediate and remarkable stimulus to organization in the industries affected, on the part both of workers and employers. Obstruction is much reduced by the fact that the good employer wants his "sweating" competitor to be penalized; and, among statesmen, it may now be said that there is general acceptance of the minimum wage principle as stated by Lord Milner (Dec. 6, 1907): "The sweating system impoverishes and weakens the whole community, because it saps the stamina and diminishes the productive power of thousands of workers, and these in turn drag others down with them. It means an industry essentially rotten and unsound, because an industry which does not provide those engaged in it with sufficient to keep them in health is essentially unsound. Used-up capital must be replaced; and of all forms of capital the most fundamental and indispensable is the human energy necessarily consumed in the work of production. The community has to make good the inefficiency that sweating produces. I know that many people think it impossible to raise wages by law; but the fixing of a limit below which wages shall not fall is already not the

exception, but the rule, in this country. . . . It is a proposal that the State shall do for the weakest and most helpless trades what the strongly organized trades already do for themselves."

In this definition, and in the general understanding of to-day, as, virtually, in that of the Lords' Committee of 1890, "sweating" means any gross underpayment. That this carries the case far beyond the limits of the industries originally described as "sweated" is indicated by two facts with which our review may conclude. The first lies in demands, emanating from both of the great political parties,[1] for the extension of the principle of the Trade Boards Act to agricultural labour. This is a much more difficult case than those already named,

[1] The National Home and Land League, of which Lord Saye and Sele is chairman, and Lord Henry Cavendish-Bentinck, M.P., president, includes members of both parties. It urges the establishment of Agricultural District Wage Boards, with prevention of an increase of the hours of labour, and fixing of fifteen half-holidays in each half-year. "A Group of Unionists" publishes (John Murray, 1913) a project of agricultural policy, which would raise the income of the Board of Agriculture from £158,000 to about £1,000,000, and would establish Agricultural District Wage Boards to fix local minimum wages. "This proposal," it says, "is in no way in conflict with historic Tory doctrines, which were laid down at the time of the passing of the Factories Acts. The principle of Toryism is not that freedom of contract cannot be interfered with under any circumstances, but that it should not be interfered with unless the policy of allowing such freedom has failed to produce desirable results from the point of view of the State." Another group, the Unionist Social Reform Committee, of which Lord Milner, Prof. W. J. Ashley, and many M.P.'s are members, advocates the "principle of the minimum or living wage," the frank abandonment of the principle of buying labour in the cheapest market, and the legal extension of voluntary wage agreements.

because of the wide variety of circumstance, the lack of exact information, the difficulty of procuring representation of the labourers, the strength of prejudice among farmers, and the danger of a further casualization of labour by pressure on the old and less fit. It is certain, however, that the rapid movement of opinion will soon result in experimental legislation.

The second instance is already on the statute-book, in the form of the Coal Mines (Minimum Wage) Act of 1912. This was a much more notable revolution than the Trade Boards Act, for it applied to one of the greatest national industries, carried on wholly by adult men, strongly organized; and it was aggressively demanded by the whole body of the men, with the assent of a large number of the masters. Only a special history could produce so complete a reversal of national policy as this Act indicates; and we must look backward to understand it.

Collective bargaining has, in fact, been for many years the rule in coal-mining, as in the iron and steel manufactures, and this "not as a matter of condescension, or charity, or courtesy, but as a simple matter of business." [1] Two circumstances con-

[1] Prof. W. J. Ashley: "*The Adjustment of Wages, a Study in the Coal and Iron Industries of Great Britain and America*," 1903. "Manfacturing on a large scale necessarily involves common rules. . . . Looked at from the employers' point of view, a common rate of wages is mainly a labour-saving device, . . . and the step is a short one, though often difficult to take, from common rates to common agreements."

tribute particularly to this result: labour costs are the chief costs in coal-mining; and there is a high degree of uniformity in the labour and material, so that wage scales are easily constructed, but need skilled interpretation on both sides. For these and other reasons, conciliation boards, as we saw earlier, have won many successes in this trade area. The time when recognition of the unions was won was the time, also, when the men accepted, tacitly or specifically, the principle that wages must follow prices. Hence the sliding-scales, beginning with that of South Wales in 1875, and those of Durham and Northumberland in 1877-8. The long fall of prices, the bad trade and disastrous strikes of the later 'seventies and 'eighties, made this simple system intolerable. The northern scales were maintained till 1886 and 1889, and then abandoned; South Wales alone remained faithful. At the latter period, the Yorkshire miners broke off from the Northern union, demanding a more aggressive policy, especially a living or minimum wage as a first charge on prices. After a sixteen weeks' strike in the Midlands in 1893, a Conciliation Board was set up which, without any declared principle for determining wage-rates, actually started with both minimum and maximum limits. This example was gradually followed in other districts; and the idea of a minimum wage thus entered, almost unconsciously, into practice. But it was a minimum which could only be defended by fighting; and, being a piece rate, it did not compel the coal-owner

to keep his mine open all the week, and so did not necessarily mean a "living wage." The demand for a legal minimum would have grown more rapidly but for the dividing influence of different interests in the different coalfields (the Midlands chiefly supply a home market, safe from foreign competition; South Wales can meet this competition by the high value of its steam coal; the North has not these advantages). Nevertheless, the demand grew, and many coal-owners favoured it as a steadying influence on prices, and a restraint on gambling in futures and undue competition. For some years, the miners' representatives on the Conciliation Boards took a position of compromise, insisting on discussing other trade circumstances than price, bargaining on "reasonable grounds," and for the rest (except in Northumberland and Durham) demanding an eight-hours' day. No doubt, victory on the last-named question encouraged the men to go forward, for the Coal Mines (Eight Hours') Act of 1908 was a revolutionary interference with the conditions of adult labour, judged by old-time standards. The prosperity of trade was another favourable circumstance.

Accordingly, in January 1912, the Miners' Federation of Great Britain polled its members on the issue of a general strike for a minimum wage. A majority of 330,000 miners were favourable; notices were given at the end of February; and, a fortnight later, over a million men were either on strike or locked out. The effect upon the national

life rapidly became disastrous. In the North, thousands of factories were closed; everywhere, railway services were reduced to a minimum. Shipping was affected; the provision of light, heat, traction, and industrial power was threatened. By March 20th, three-quarters of a million of other workers had been thrown out of employment; coal had reached nearly double its normal price, and every household was feeling the pinch. The stocks in reserve at any time, though large enough to make the fortunes of their owners when prices suddenly rise, are insufficient to meet the industrial and domestic demand for more than a few weeks; a stoppage of British miners is, therefore, the equivalent of a complete failure of crops in an agricultural country. There was, however, no disorder or panic. Faced with a situation so grave, the Government offered a locally variable minimum wage, administered by district boards on the model of those set up for the sweated industries. The English masters were generally willing; those of Scotland and South Wales refused; the unions stood out for a national minimum flat-rate of 5s. a day for men working underground, and 2s. for boys, with rates for hewers varying according to local circumstances.

A settlement by negotiation having proved impossible, the Prime Minister introduced in the Commons, on March 19, as a matter of extreme urgency, his Coal Mines (Minimum Wage) Bill. Mr Asquith said he proposed this measure "with

great and unaffected reluctance"; and he protested that "it laid down no general principle"—a suggestion disputed by both Conservative and Labour Members. The Bill, ostensibly a temporary measure, provided for minimum wages to be payable from its enactment, the rates being determined by local joint-boards having a chairman—elected, or, failing agreement, appointed by the Board of Trade—with a deciding vote. The boards were also empowered to make special arrangements for aged and infirm workers, and to fix "safeguards," or conditions of regularity and efficiency, non-compliance with which may deprive the worker of the right to the minimum wage. The Bill had no special penal provisions (miners simply obtained the common-law right to sue for the declared wage), and made no attempt to compel the owner to keep the mine open, or the miner to go to work. The Leader of the Opposition, Mr Bonar Law, expressed his mistrust and misgiving; but Parliament had no alternative policy before it, and the strike must be ended. The Labour Party voted for the Bill on the second reading, but against it on the third, on the ground that the specific figures demanded by the miners were not included. Outside St Stephen's, there was much loose talk about "Syndicalism," although the coal-miners, with their complete organization, their M.P.'s, and their long practice in joint-board conciliation, did not seem to answer well to this imported name. Public sympathy, indeed, was generally with them; two-

thirds of the masters had accepted the minimum-wage principle at the outset; the Government declared it to be "consistent with justice and the best interests of the community." There was no question here of disorder or breaches of contract. Mr Vernon Hartshorn, one of the miners' leaders, declared that "the Government was faced with the most difficult problem that statesmanship had yet been called upon to deal with"; and this did not at the moment seem a very great exaggeration. Mr G. N. Barnes, M.P., would have preferred a settlement by negotiation. Nobody was over-confident; but a trade, a section of which "could not earn a reasonable minimum wage, through no fault of their own"—a trade better paid than many, though hard, gloomy, and dangerous—suddenly found that, the conditions being favourable, only the hardiest scruples could stand against its own unanimity. The strike ended on April 8, when the miners had lost a million and a half sterling in wages, and the railways four millions in traffic receipts. The Act came into force forthwith. The minimum rates fixed by the district boards usually fell short, by five or ten per cent., of the schedules the strikers had demanded.

This momentous experiment—momentous politically, in the extension it gives to the method of delegated legislation by joint local boards, as well as economically, in its immediate purpose—can be justified only on one ground, namely, that the principle of a living wage for labour as a first

charge upon the product of national industry is accepted. There is no finality in human affairs; it is not clear how the minimum wage is to be defined (the subsistence wage of the chainmakers and shirtmakers is not necessarily the same as the "fair wage" of many State and municipal contracts); and the application of the principle to one occupation after another may be very slow. But, even if we were not required to presume the gravity of statesmen, the history of these several measures would demonstrate that the principle has entered into the national consciousness and will. It is significant that the miners' minimum wage arose by a conjunction of that humaner spirit which we saw born after the last great trade crisis with the practice of voluntary arbitration, the final and most considerable expedient which could be found to soften the collisions incidental to an individualist organization of industry without radically modifying that organization. The social control over wages has been resumed after a break of two centuries, during which these two leading institutions of industrial democracy were created—trade unionism, and organized conciliation. There was no room in the mediæval fabric for either of them. Society was rigidly bound in a hierachy, based on certain conceptions dictated by the Church and maintained by the State—conceptions which took legal form because they were generally accepted, because, in the small and simple communities of those days, thorough regulation was

comparatively easy, and unlettered minds dreamed of no other way. Hence, civic regulation of marketed goods to prevent fraud, of fair rates of interest, of fair wages, of apprenticeship, and so on. Everybody was paternally protected—consumer, workman, employer; everyone had his accepted place and standard of living. This is a condition of law in which there is no place for arbitration. When, in the sixteenth century, the craft guilds began to break down, and the appeal of the worker was met in the famous Statute of Apprentices, authorizing the justices to meet yearly to fix fair wages, this was not, as Arnold Toynbee seems to have thought,[1] an arbitral, but a legal, process, enforceable by heavy penalties. We have seen that the assumption of a right to a customary or living wage continued till the middle of the eighteenth century, and even, feebly, till the beginning of the nineteenth. By this time, the social spirit of the old compact was as dead as the theology that had sustained it; distinct classes of capitalist employers and lifelong manual workers had separated out; and neither the law nor the conscience of the day had any remedy to offer for the collisions of interest that arose between them.

The first impulse is to depict one class as oppressers, the other as its victims. Let us rather say that they were both victims of an historical necessity, represented by the steam-engine on the one hand, and on the other by the processes of

[1] *Industrial Revolution*, p. 53.

conquest and colonization which have opened out successively America, Asia, and Africa. But, in turn, this necessity has revealed another no less commanding. It was quickly found that material progress involved political democracy; it has been more slowly discovered that the interest of the whole community must be supreme in the daily round of business as well as in affairs called political. The British people are very patient, very unresponsive to selfish or revolutionary appeals. They have, at a dreadful cost, tried *laisser faire* pure and simple. They have tried, at great length, the compromise by which employers recognized the unions of skilled workmen, and the skilled workmen recognized free capitalism, with its corollary that wages must follow prices, while both masters and men tacitly ignored the meaning of the growth of a vast unskilled residuum. At the moment when the conscience of the community was awakening to the worst aspects of this compromise, the "aristocracy of labour" had begun to discover that no voluntary combination of skilled hands sufficed to secure a just remuneration while the industrial structure could be described as a box without a bottom, a room without a strong floor. So it happened that, in an industry far removed from mediæval traditions, and equally far from what are commonly called "sweating" practices, the idea of a standard of life was re-born, and the method of the district joint-board was taken over from Whitechapel and Cradley Heath.

In its modern re-appearance, the minimum wage owes little or nothing to Church or State. It has none of the arbitrariness of the ancient magisterial assessments. But it has this in common with the olden paternal legislation, that, amid a thousand other acts in aid of the helpless or the handicapped, and with many sanctions formerly unimaginable, it expresses a social compact and a social ideal. It definitely closes the chapter in British history in which individual greed reigned supreme; and it enables us to look in the face the freest peoples under our flag, or any other, and to dispute with them the greatest hopes of the future.

## VI. Conclusion

The road of history runs out of sight; but it has its crossways where the commerce of thought comes to a halt, as grosser traffic to market. Looking backward, from this turning, to the point far below whence we started, the perspective of the hard path which the British people have climbed in the last century and a half appears more clearly. The wonder of their endurance is not less, nor the pitifulness of much of their pride, their blind heroisms, their now impossible creeds. But a period which, to the casual eye of to-day, may seem merely fantastic, monstrous, incredible, assumes for us a new significance and interest.

We have seen a nation torn from the soil, and

bound to strange machines in squalid towns. We have seen them reduced to new kinds of serfdom, because Napoleon must be beaten, and the landlords be kept in comfort. And we have seen them, with indescribable courage, struggling back by many and devious tracks into the light, helped here and there by men of fortune, braced everywhere by memories surely engraved by pain and love. The poignancy of this spectacle could not be borne did we not feel that there must have been at its heart a moral necessity, and that there must be in its outcome something that will lift the name of England higher than the best achievements we have recorded. If it do not discover the soul of good in things evil, the truth of history is an ineffectual flame. In fact, Napoleon and Castlereagh were small, ephemeral adversaries beside the impersonal forces we have been seeking to trace. The greatest evil is ever the price we must pay for the greatest good, the Angel with whom man must wrestle in the darkness. From the beginning mankind has made its account with poverty. Destiny at length sets a worthier task. The commanding fact henceforth is to be not poverty, but wealth. Give me a cylinder and piston, and the rest is easy. Give me the only steam-engine, and I am master of the world. But then the world has but exchanged one sort of poverty and despotism for another. Wealth, or Commonwealth ? Is man, or the machine, to be master ? Selfishness makes the quickest answer ; and the transforma-

tion proceeds. The mass of the victims of the machine and its "inexorable laws" are voiceless; at first, there are ten inventors, and a hundred exploiters of invention, for every "reformer." As the mischief spreads, and the rewards of competitive invention become scantier, the spirit of revolt gathers force. The common British people cannot let go the notion that government is essential to a civilized society, even more essential against domestic than foreign foes, and most of all essential against the local exploiter of the poor. Conquered where Napoleon could not conquer, by a machine that Napoleon had not the wit to seize, in their bitterness they still look for help to the hoary invention of Simon de Montfort. To what should England look, if not to a people's Parliament?

The Thirty Years' War was not, perhaps, more destructive than the unarmed struggle which began directly after Waterloo, and saw a definitive victory only in 1885. Half-way through, it was found that a reformed Parliament would not alone suffice. There was now in possession not only a machine, but a stoutly arrayed class of machine-owners, abundantly served by legal, clerical, economic, literary, and scientific attendants. The working folk had won from this triumphant early Victorian capitalism the right to cheap food, to some personal freedom, protection, and education. This was still not enough; for it can never be enough for men just not to starve. They must be separately organized for daily bargaining. Years are spent in

building up trade unions, co-operative stores, friendly societies, funds to secure a decent burial, and other offerings to the god of thrift, and in experimenting with more and more ingenious expedients in daily bargaining. Again, the problem seemed at the point of solution, when three forgotten factors forced themselves into notice, in rapid succession: (1) The Island-State must adjust itself to the requirements of a world-wide Empire, the pressure of rivals no longer to be despised, and the temptation of tropical markets ready to give gold, oil, and rubber, for cotton-cloth, rum, and small-arms. (2) There is a Trade Cycle, that might rather be called cyclone, whereto every industrial country must learn to adjust its mechanism of production and exchange. (3) At the end of the storm, a certain Submerged Tenth, of tragic mien, raises its head above the flood.

These three quantities are at the base of our modern situation. They still stand before us, questions that must be answered, tasks that must be fulfilled, irreconcilables that must be reconciled. The utmost Edwardian England could do was, in recognizing their existence, to prepare for the abandonment of its inherited economic dogmas, and the adoption of a new principle of social action. In such emergencies, the reality of ancient powers, like religion and nationality, is tested. We have seen how religion was tested in Whitechapel, and how the golden word of brotherhood, ringing across the world, proved the salvation of the London

docker. England can no longer live to herself alone; and we now understand that neither for labour nor capital is there anything final in nationality. But a nation has resources not to be counted in economic terms; it is, and will probably remain so far as we need attempt to see, a union of peculiar strength. In this supreme modern problem of the mastery of the wealth-making machine, the spirit of nationality has an important part to play. It speaks to us in our mothers' simple words. We are no longer *a*, *b*, *c*, so many "factors of production," but living souls, members of a household. Suddenly we are aware of our relationship with ages, noble in many respects, before the age of the machine, with other climes where the worship of the machine has never gone to such lengths. What shall it profit a people if, in gaining a world, it lose its own integrity? Men and classes have been severed too long; there is one inclusive interest that can be, here and now, effectively asserted—that of the nation as a whole.

This collective interest may be envisaged variously. We have seen it expressed, in the last two decades of the nineteenth century, in a sense of compunction that, after so much wealth had been heaped up, so much poverty, disease, ignorance, and misery should be found to issue from the same process. A just demand, admitted, is half disarmed. Let us know the worst, these post-Victorians seemed to say; and, as revelation followed revelation, prejudice was dissolved, dogma

discredited, and the reconstitution of the British household began. It is characteristic that pity and justice should assume here a business garb; the cry that England must awake, and make herself more efficient to meet the competition of younger nations, has been a prominent note in the chorus demanding the better organization of all the material activities of society, so that there may no longer be glaring waste or neglect of human faculty and the bounty of nature. The best formula, it is true, is liable to misuse. This word "organization" may be translated to mean no more than that many ill-paid clerks, with a beautiful card-index, are kept to do work formerly disposed of by a few capable men by wit and memory. There is even a fashion of "scientific" regimentation and "speeding-up," as there was a fashion of "slumming." If mere rapidity of change be the test of progress, then, indeed, the last generation—the age of the internal combustion engine, the turbine, the practical dynamo, and the filament lamp, of shorthand and the card-index, the telephone and typewriter, of the aeroplane and wireless telegraphy, of the girl clerk and the Labour Minister—easily eclipses the age of the steam-engine and the first Reform Bill. There may have been greater progress, or not; if so, it is not because mechanical invention is more daringly active than ever before, not because doctrinaires and amateurs are now generally suspect, nor that the triumphs of speed fill all minds, and the sacrifices they require are counted

cheap. Access of speed may result in progress, or not. It leaves unanswered the essential question: Which is master, man or the machine? Who gains, the many or the few? What is the aim, more luxury and power, or more wisdom and happiness?

Twenty years ago, Western society echoed with plaints of a mental and normal decadence, taking extreme shape in two gloomy books by the late Max Nordau. It was not difficult then to show that an increase of actual insanity was unproved, that the milder nervous maladies—neurasthenia, hysteria, melancholia, and nerve debility—were chiefly found in a small, pampered class, and that, for the rest, other forms of disease would yield to the treatment which had already banished small-pox and cholera. Doctors protested that we used our nerves too little, not too much; that as, in writer's cramp, the muscles are not too powerful, but too weak, so the nerves are usually not over- but under-sensitive. It was a period of growing pains. The democracy was just arriving upon the threshold of the worlds of knowledge, art, and pleasure. Meeting the new and curious at every street corner, seeing the world-comedy over the foot-lights of a cheap press, it was not surprising that they should display some extravagance. That the bounds of human thought and hope should be suddenly thrown wide without any loss or error was not to be expected. Gradually, a genuine cult of the imagination would grow up; meanwhile, the

new restlessness, curiosity, impatience must be esteemed a vast improvement upon the old lethargy and ignorance, a necessary stage in the evolution of a maturer manhood.

To-day, the argument continues in a lower key. Wealth has been heavily taxed. There are evident benefits; but how does the account balance, and what of the future? "Industrial unrest" is the text of alarmed and pessimistic preachers. Could any result have been more confidently predicated of a generation of elementary schooling? Does England repent her awakening? Does she repent having established some equality of start and opportunity? Is it not good to watch the approach of the day when the romance which learning and research already hold for the privileged scholar will reach the mechanic at his bench, when a library will be a part of every home in the land, and none will speak of setting up a "ladder" for a few athletes to climb from the board school to the university, because the university will have been brought down from its Olympian heights, and made accessible to every youth of decent abilities?

The desire without which this could not be is growing, and it is good. Old England is burgeoning with young vigour. In particular directions, the national genius may have reached higher in the past; but at no time has there been such a volume and variety of talent, earnest work, and fruitful speculation. The results are already prodigious. Nor should even the rarer of these results, in

physical science and literature, be attributed to a mere academic movement; they are fruits of a vast growth of thought and energy which is fermenting throughout the whole body of the nation. It is represented not only in public effort, but in the private spirit of the people. There is less drunkenness, less slovenliness, less ugliness, less cruelty, disease, and crime. One who has moved much and long in city life now sees, especially among the young, more bright, healthy faces, many more capable hands. There is good evidence that, being better fed and better dressed, hundreds of thousands of young men and women are determined to polish their minds also, as well for the sake of more intelligent work as for more enjoyable leisure. The improvement of manners is most strongly marked. When Baron Liebig was reported to have declared that "civilization is the economy of power, and English power is coal," John Ruskin replied, impetuously: "Not altogether, my chemical friend. Civilisation is the making of civil persons, a kind of distillation of which alembics are incapable, and does not at all imply the turning of a small company of gentlemen into a large company of ironmongers. English power (what little of it may be left) is by no means coal, but is, indeed, of that which, when the whole world turns to coal, then chiefly lives." Chivalry was a word certainly incompatible with the lower type of industry in the coal and steam age, and still not to be lightly invoked. But the demand for more active minds, not only

among masters, merchants, inventors, but among the rank and file of every occupation, is more favourable than heretofore to the growth of gentlemanliness. The tyranny and servility of olden days are disappearing. Woman has brought into some departments of the world of commerce a spirit of generosity and grace. Everywhere, force counts for less, reason and public feeling for more. The increasing frequency and importance of foreign relations work in the same direction. Business cannot, indeed, be allowed with safety to become the whole of life; and so it cannot claim that full-orbed ideal which belongs to the highest manhood. It is much if we can discern beneath the surface of the daily struggle the influence of the nobler spirit whose perfect flower we find in poesy and art and all pure faith.

A New Zealand statesman, Sir Joseph Ward, on a recent home-coming from England, is reported to have said: "Age has its beautiful side, but it has also a terrible side; and in the old country it has a devastating effect. Wherever I went, I found extreme poverty on the one hand, and extreme wealth on the other. That is the difficulty caused by age in an old land as the years pass. We should try to keep the problem away from New Zealand." There are thus two voices assailing the Island State, critics of the Right and of the Left. Milton's England was similarly assailed; and the declaration of faith in "liberty, the nurse of all great wits," which the immortal poet hurled at both camps, will suffice for this and many a day to come:

"When the cherfulnesse of the people is so sprightly up, as that it has not only wherewith to guard well its own freedom and safety but to spare, and to bestow upon the solidest and sublimest points of controversie and new invention, it betok'ns us not degenerated, nor drooping to a fatall decay, but casting off the old and wrincl'd skin of corruption to outlive these pangs and wax young again, entring the glorious waies of Truth and prosperous virtue destin'd to become great and honourable in these latter ages." We, too, may see, in the mind's eye, "a noble and puissant Nation rousing herself like a strong man after sleep." By the force not of authority or doctrine, but of sympathy and understanding, she will again lead the families of mankind, to purer victories. For the spirit of to-day, at once scientific and humane, accepts the doom of perpetual change by which all our accomplishment is beset. We may guide, we cannot arrest, the universal movement. We must organise; yet the currents of life must have free play. The industrial revolution has no beginning and no end. Momently, new powers in nature are discovered which may eclipse all the wonders of the steam age, and therewith uncharted possibilities of happiness and woe. Ceaseless transformation is the one certain thing—this, and the power of the human will, which, being forewarned, is forearmed, and, being nobly directed, is invincible.

# APPENDIX I

## *POPULATION AND EMIGRATION*

### A. Estimates for Earlier Times—England and Wales

| Years. | Population. | Source of Estimate. |
|---|---|---|
| 1100 | 1½ millions | Based on Domesday Survey |
| 1377 | 2 to 2½ „ | Poll-tax |
| 1500-1700 | 2¼ to 2½ „ | Thorold Rogers |
| 1688 | 4,751,000 | Gregory King |
| 1700 | 5,134,000 | Finlaison [1] |
| 1750 | 6,039,000 | „ [1] |
| 1769 | 8,600,000 | Arthur Young |
| 1800 | 9,187,000 | Finlaison [1] |

### B. The United Kingdom

(*From the Census Reports*)

The first complete Census of the kingdom was taken in 1821. This and the following Censuses did not include men of the Army and Navy and Merchant Service at home. England, Wales, and Scotland show a continuous increase, Ireland a continuous decline since 1841. In 1821, Ireland had 32·6 per cent., in 1911 only 9·7 per cent., of the population of the kingdom. The proportion of Wales has

[1] Quoted in 1831 Census Report.

increased from 3·4 to 4·5 per cent., that of Scotland from 10 to 10½ per cent.

| Census Year. | United Kingdom. | | England. | | Wales. | Scotland. | Ireland. |
|---|---|---|---|---|---|---|---|
| | Millions. | Increase %. | Millions. | Proportion % of U.K. | Millions. | Millions. | Millions. |
| 1821 | 20·89 | .. | 11·28 | 54· | ·71 | 2·09 | 6·80 |
| 1831 | 24·02 | 15· | 13·09 | 54·5 | ·80 | 2·36 | 7·76 |
| 1841 | 26·73 | 11·2 | 15· | 56·1 | ·91 | 2·62 | 8·19 |
| 1851 | 27·39 | 2·5 | 16·92 | 61·8 | 1·00 | 2·88 | 6·57 |
| 1861 | 28·92 | 5·6 | 18·95 | 65·6 | 1·11 | 3·06 | 5·79 |
| 1871 | 31·48 | 8·8 | 21·49 | 68·2 | 1·21 | 3·36 | 5·41 |
| 1881 | 34·88 | 10·8 | 24·61 | 70·6 | 1·36 | 3·73 | 5·17 |
| 1891 | 37·73 | 8·2 | 27·48 | 72·8 | 1·51 | 4·02 | 4·70 |
| 1901 | 41·45 | 9·9 | 30·80 | 74·3 | 1·72 | 4·47 | 4·45 |
| 1911 | 45·21 | 9·1 | 34·04 | 75·3 | 2·03 | 4·75 | 4·38 |

## C. England and Wales

| Census Year. | Families or Separate Occupiers (millions). | Population (millions). | Increase at each Census (millions). | Percentage of Increase. |
|---|---|---|---|---|
| 1801 | 1·89 | 8·89 | .. | .. |
| 1811 | 2·14 | 10·16 | 1·27 | 14·00 |
| 1821 | 2·49 | 12·00 | 1·83 | 18·06 |
| 1831 | 2·91 | 13·89 | 1·89 | 15·80 |
| 1841 | (Not taken) | 15·91 | 2·01 | 14·27 |
| 1851 | 3·71 | 17·92 | 2·01 | 12·65 |
| 1861 | 4·49 | 20·06 | 2·13 | 11·90 |
| 1871 | 5·04 | 22·71 | 2·64 | 13·21 |
| 1881 | 5·63 | 25·97 | 3·26 | 14·36 |
| 1891 | 6·13 | 29·00 | 3·02 | 11·65 |
| 1901 | 7·03 | 32·52 | 3·52 | 12·17 |
| 1911 | 8·01 | 36·07 | 3·54 | 10·91 |

In the first four Censuses, the Army, Navy, and Merchant Service at home were not included.

The proportion of urban population has steadily increased from 50·2 per cent. in 1851 to 78·1 per cent. in 1911, the rural proportion falling from 49·8 to 21·9 per cent.

The number of births between the last two Censuses was 9,290,774, the deaths 5,245,852. The natural increase in the decade 1901-11 was, therefore, 4,044,922, the recorded increase only 3,547,426, leaving a loss of 497,496 to be accounted for.

This is due chiefly, if not wholly, to balance of emigration. The decennial excess of emigration

over immigration, at previous Censuses, is given as follows :—

| | | | |
|---|---|---|---|
| 1861 | 122,111 | 1891 | 601,389 |
| 1871 | 78,968 | 1901 | 68,330 |
| 1881 | 164,307 | 1911 | 501,998 |

The above figures are for England and Wales only.

The balance of outward over inward passengers between the United Kingdom and non-European countries shows a large increase in the last few years. As against a yearly average of 180,000 in the 'eighties, and 76,000 in the 'nineties, it was in

| | | | |
|---|---|---|---|
| 1901 | 72,016 | 1907 | 235,092 |
| 1902 | 101,547 | 1908 | 91,156 |
| 1903 | 147,037 | 1909 | 139,693 |
| 1904 | 126,854 | 1910 | 233,709 |
| 1905 | 139,365 | 1911 | 261,809 |
| 1906 | 194,671 | | |

In 11 years = 1,743,048

At the beginning of this period, most emigrants went to the United States; at the end, 80 per cent. went to the British Colonies—in 1911, half of them went to Canada. This is largely a result of the Colonial policy of assisted immigration.

The net alien immigration into the United Kingdom was about 18,000.

These (Table D) are the only registration counties —except the quasi-metropolitan, Essex, Middlesex,

## D. The Chief Industrial Counties

*Population —000's omitted*

| | 1801 | 1821 | 1841 | 1861 | 1881 | 1901 | 1911 |
|---|---|---|---|---|---|---|---|
| London : Administrative County of | 959 | 1,379 | 1,949 | 2,808 | 3,830 | 4,536 | 4,522 |
| London, Greater . . . | .. | .. | .. | 3,222 | 4,766 | 6,581 | 7,252 |
| Lancashire . . . . | 684 | 1,069 | 1,701 | 2,467 | 3,488 | 4,437 | 4,825 |
| Yorkshire, West Riding . . | 574 | 813 | 1,173 | 1,522 | 2,188 | 2,766 | 3,044 |
| Durham . . . . . | 156 | 201 | 315 | 516 | 875 | 1,194 | 1,377 |
| Staffordshire . . . . | 254 | 362 | 530 | 772 | 1,012 | 1,251 | 1,359 |
| Glamorganshire . . . | 73 | 106 | 177 | 325 | 517 | 866 | 1,130 |
| Warwickshire . . . . | 216 | 284 | 409 | 562 | 731 | 906 | 1,023 |
| | 2,916, | 4,214, | 6,254, | 9,386, | 13,577, | 18,001, | 20,010, |

and Kent—having in 1911 a population of more than 1,000,000. The Administrative County of London for the first time shows a small decline in the last decade. "Greater London" includes Croydon, Wimbledon, Kingston, Richmond, Bromley, Beckenham, Willesden, Tottenham, Hornsey, Edmonton, Ealing, West and East Ham.

Three English counties — Cumberland, Westmoreland, and West Suffolk; five Welsh—Merioneth, Montgomery, Cardigan, Radnor, and Carnarvonshire; and four county boroughs—Hastings, Halifax, Burton, and Canterbury—show a decline of population in the last decade.

## E. The British Empire

### *Population and Area*

(Sir J. A. Baines, C.S.I., in the *Statistical Society Journal*, July 1911).

| | Population (Millions). | Increase (Millions). | | | | Area. | |
|---|---|---|---|---|---|---|---|
| | | Total. | 1. By Acquisition since 1841. | 2. By Growth. | | Square Miles (Millions). | Additions. |
| | | | | On Territories of 1841. | On later Additions. | | |
| 1841 | 203 | .. | .. | .. | .. | 8·5 | .. |
| 1851 | 241 | 37 | 18 | 19 | .. | 8·7 | ·25 |
| 1861 | 258 | 17 | 1 | 14 | 2 | 8·8 | ·03 |
| 1871 | 280 | 22 | .. | 19 | 2 | 8·8 | .. |
| 1881 | 306 | 25 | ·7 | 22 | 2 | 8·8 | ·05 |
| 1891 | 346 | 40 | 6 | 29 | 5 | 9·6 | ·73 |
| 1901 | 385 | 38 | 26 | 9 | 2 | 11·1 | 1·54 |
| 1911 | 418 | 33 | 2 | 24 | 6 | 11·3 | ·18 |
| Total | .. | 215 | 55 | 138 | 21 | .. | 2·8 |

*Climatic and Political Distribution*, 1911

| | Area. | Population. |
|---|---|---|
| Temperate . | 6,977,591 | 58,672,000 |
| Sub-Tropical | 1,204,368 | 7,786,000 |
| Tropical . | 3,149,284 | 352,277,000 |
| Dominions . | 7,446,869 | 63,890,000 |
| Crown Colonies | 267,916 | 9,661,000 |
| Protectorates | 1,849,861 | 30,183,000 |
| India . . | 1,766,597 | 315,001,000 |
| Total . . | 11,331,243 | 418,735,000 |

## APPENDIX II

## *EMPLOYMENT AND TRADE UNIONISM*

### A. England and Wales, 1901

(*Figures from the Census Reports.*)

| | | |
|---|---|---|
| Total Population . . | 32,678,213 | |
| Total "Occupied" . . | 14,479,097 | |
| Total "Unoccupied or Retired" . . . | 18,199,116 | |
| All under 10 years old . . . | | 7,203,999 |
| Unoccupied 10-13 years old . . | | 2,465,575 |
| Wives (many "Occupied") . . | | 5,717,537 |
| Aged 70 and over . . . . | | 888,080 |
| | | 16,275,191 |

The "unoccupied" included 374,404 persons in workhouses, asylums, prisons, and hospitals.

Groups of Occupations (*Thousands*)

| | Male. | Female. | Total. |
|---|---|---|---|
| *Directing and other Services*— | | | |
| Government . . | 172 | 26 | 198 |
| Defence . . . | 168 | .. | 168 |
| Professional . . . | 311 | 294 | 605 |
| | 651 | 320 | 971 |

| | Male. | Female. | Total. |
|---|---|---|---|
| *Distribution*— | | | |
| Commercial . . . | 530 | 59 | 589 |
| Transport . . . | 1,249 | 18 | 1,267 |
| | 1,779 | 77 | 1,856 |
| *Domestic Services* . . | 304 | 1,690 | 1,994 |
| *Building and Supply Trades*— | | | |
| Building, etc. . . | 1,042 | .. | 1,042 |
| Wood, Furniture, Decorations . . | 233 | 24 | 257 |
| Brick, Pottery, Glass, etc. . . . | 142 | 33 | 175 |
| Gas, Water, Electricity, Sanitary Services . | 71 | .. | 71 |
| | 1,488 | 57 | 1,545 |
| *Food Trades* (Food, Tobacco, Drink, Lodging) | 774 | 299 | 1,073 |
| *Clothing Trades*— | | | |
| Textiles . . . | 492 | 663 | 1,155 |
| Dress . . . . | 414 | 711 | 1,125 |
| Skins, Leather, etc. . | 80 | 25 | 105 |
| | 986 | 1,399 | 2,385 |

| | Male. | Female. | Total. |
|---|---|---|---|
| *Metal Trades—* | | | |
| Metals, Machines, Implements . . | 1,174 | 63 | 1,237 |
| Precious Metals, Jewels, Instruments . . | 130 | 18 | 148 |
| | 1,304 | 81 | 1,385 |
| *Other Manufactures—* | | | |
| Chemicals, Oil, Soap, etc. | 102 | 26 | 128 |
| Paper, Books, etc. . | 188 | 90 | 278 |
| | 290 | 116 | 406 |
| *Extractive Industries—* | | | |
| Mining, Quarries, etc. . | 800 | 5 | 805 |
| Agriculture . . . | 1,071 | 57 | 1,128 |
| Fishing . . . | 24 | .. | 24 |
| | 1,895 | 62 | 1,957 |
| Total of above Groups (—000's omitted) | 9,471, | 4,101, | 13,572, |

## B. United Kingdom, 1901

### Membership of Trade Unions *at the beginning of the year.*

(*Figures from the Report of the Chief Labour Correspondent of the Board of Trade.*)

| | |
|---|---|
| Total Unions . . . | 1,252 |
| Total Membership . . . | 1,910,614 |
| Female ,, . . . | 123,510 |

Rather over 10,000 members were outside the United Kingdom.

The following groups tally as nearly as possible with those of the preceding table:

| | |
|---|---|
| Government and Local Government Employees | 40,009 |
| Transport | 169,272 |
| Domestic Service | *nil* |
| Building, Woodwork, etc. | 253,270 |
| Food and Tobacco | 17,329 |
| Clothing Trades— | |
| Textile | 220,939 |
| Boot and Shoe | 35,123 |
| Other | 32,578 |
| Metal Trades— | |
| Metal, Engineering, Shipbuilding | 338,205 |
| Enginemen | 19,688 |
| Other Manufactures— | |
| Chemical | 20,138 |
| Printing, etc. | 57,256 |
| Mining, Quarrying | 505,056 |
| General Labour | 113,549 |
| Other | 48,496 |
| | 1,910,614 |

The membership of unions affiliated to the Trade Union Congress was, in 1913, about 2,250,000. The membership of unions and societies affiliated to the Labour Party in 1912 was 1,880,401.

## APPENDIX III

### *CENSUS OF PRODUCTION OF THE UNITED KINGDOM*, 1907

The following leading points are summarized from the Final Report (Cd. 6320 of 1912, pp. 938, 7s. 6d.), to which the reader is referred for many explanatory details. This, the first British Census of Production, was taken in 1908 with respect to the previous year.

#### A. Workers Included

*Probably within Scope of the Census*

| | |
|---|---|
| Employers . . . . | 260,000 |
| Working for Employers . . | 8,390,000 |
| Working on own Account . | 600,000 |
| | 9,250,000 |

*Actually Covered*

| | |
|---|---|
| Salaried . . . . | 491,847 |
| Wage-earners . . . | 6,493,129 |
| Outworkers . . . . | 102,147 |
| Average number . . . | 7,087,123 |
| Maximum „ . . . | 7,219,000 |

It will be seen that large numbers of "occupied persons" according to the Population Census are not here included.

Particulars for Agriculture and Fisheries (nearly 3 million workers) were obtained from other Govern-

ment Departments. Estimates were made for the output of between 1 and 2 million industrial workers.

Of the 6½ million wage-earners recorded, 74·4 per cent. were males and 25·6 per cent. females. Those under 18 years of age numbered 965,000—12·6 per cent. of the male and 24·8 per cent. of the female workers.

## B. Net Output

(*At point of production*)

| *Industry*— | £ Millions. | £ Millions. |
|---|---|---|
| Gross Output of Scheduled Trades | 1,765 | |
| *Less* Materials | 1,053 | |
| Net [1] (see next table) | 712 | |
| Trades not Scheduled | 50 | |
| | | 762 |
| *Agriculture*— | | |
| Food and Fodder Produce, Flowers, Seeds, Plants (Gt. Britain, £151 millions; Ireland, £45 millions) | 196 | |
| Horses, etc., not for food | 3 | |
| Hides and Skins | 6 | |
| Wool | 4 | |
| Timber | ·9 | |
| Flax | ·4 | |
| | | 210 |
| *Fisheries* | | 12 |
| Total | | 984 |

(Not including imported materials and cost of transport and merchanting.—See Table D.)

[1] *I.e.* the sum of the additions to value made at the different stages of production.

## C. Industrial Output by Groups of Trades

(Gross, and Net—*i.e.* free from duplication)

| Group of Trades. | Gross Output. Selling Value or Value of Work Done. (1) | Materials used. Cost. (2) | Work given out. Amount Paid to other Firms. (3) | Net Output. Excess of Column (1) over Columns (2) and (3). (4) | Average Number of Persons Employed (excluding Out-workers). (5) | Horse-power of Engines at Mines, Factories, etc. (6) |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | | H.P. |
| Mines and Quarries | 148,026,000 | 28,495,000 | .. | 119,531,000 | 965,230 | 2,495,134 |
| Iron and Steel, Engineering and Shipbuilding Trades . . | 375,196,000 | 212,224,000 | 9,890,000 | 153,082,000 | 1,539,415 | 2,437,481 |
| Metal Trades, other than Iron and Steel . . | 93,465,000 | 81,341,000 | 231,000 | 11,893,000 | 114,473 | 83,974 |
| Textile Trades . | 333,561,000 | 235,038,000 | 4,189,000 | 94,334,000 | 1,253,044 | 1,987,765 |
| Clothing Trades . | 107,983,000 | 58,185,000 | 2,125,000 | 47,673,000 | 756,466 | 84,806 |
| Food, Drink, and Tobacco Trades | 287,446,000 | 197,734,000 | 198,000 | 89,514,000 | 463,701 | 380,171 |
| Chemical and Allied Trades . . | 75,032,000 | 53,466,000 | 9,000 | 21,557,000 | 127,842 | 214,770 |

| | (1) | (2) | (3) | (4) | (5) | (6) |
|---|---|---|---|---|---|---|
| Paper, Printing, Stationery, and Allied Trades . | 61,308,000 | 26,611,000 | 1,047,000 | 33,650,000 | 325,475 | 237,573 |
| Leather, Canvas, and Indiarubber Trades . . | 34,928,000 | 26,229,000 | 81,000 | 8,618,000 | 84,724 | 54,891 |
| Timber Trades . | 46,390,000 | 24,780,000 | 166,000 | 21,444,000 | 239,195 | 173,813 |
| Clay, Stone, Building, and Contracting Trades | 116,692,000 | 49,679,000 | 6,557,000 | 60,456,000 | 725,240 | 433,279 |
| Miscellaneous Trades . . | 8,288,000 | 3,778,000 | 67,000 | 4,443,000 | 46,874 | 9,417 |
| Public Utility Services . . | 77,051,000 | 30,786,000 | 325 000 | 45,940,000 | 342,491 | 2,059,737 |
| Factory Owners—Power only . | .. | .. | .. | .. | 806 | 102,198 |
| Total . | 1,765,366,000 | 1,028,346,000 | 24,885,000 | 712,135,000 | 6,984,976 | 10,755,009 |
| | In £ Millions | | | | | |
| England and Wales | 1,490 | 868 | 19 | 603 | 5·808 | 9·1 |
| Scotland . . | 208 | 117 | 5 | 86 | ·885 | 1·4 |
| Ireland . . | 67 | 43 | 1 | 23 | ·291 | ·2 |
| United Kingdom. | 1,765 | 1,028 | 25 | 712 | 6·984 | 10·7[1] |

[1] About one-quarter of the engine-power was for driving dynamos to produce electricity for power and lighting purposes.

A valuable discussion of the relation of output to the numbers of workers employed will be found in a paper by Mr A. W. Flux, "Gleanings from the Census of Production Report," *Statistical Society Journal*, May 1913.

### D. Aggregate Value of United Kingdom Produce

| | £ Millions. | £ Millions. |
|---|---|---|
| Industry (including materials) | | 1,234 to 1,249 |
| Agriculture | | 210 |
| Fisheries | | 12 |
| | | 1,456 to 1,471 |
| *Less* Materials duplicated | | 71 |
| | | 1,385 to 1,400 |
| Exported (f.o.b.) | 464 | |
| Sold for Consumption | 921 | |
| | 1,385 | |
| *Plus* Duties | | 48 |
| Ready for Consumption or Export | | 1,433 to 1,448 |
| *Less* Exports at factory price | 430 to 410 | |
| = Goods made and consumed in the United Kingdom | 1,003 to 1,038 | |
| Value added in Transport and Distribution— | | |
| To Home consumed Goods | | 315 to 415 |
| To Exports | | 34 to 54 |
| | | 1,782 to 1,917 |

| | £ Millions. |
|---|---|
| Final Sales for Consumption or Export . . . . . | 1,782 to 1,917 |
| *Less* Exported (f.o.b.) . . | 464 |
| Home Consumption only . . | 1,318 to 1,453 |
| *Plus* Net Imports for direct consumption, and duties, carriage, and profits . . | 345 to 380 |
| Total Cost to Consumers of Goods consumed in United Kingdom (1907) . . . . . | 1,663 to 1,833 |

## E. Exports and Imports

*As Percentages of United Kingdom Output*

| | Exports (1907). | Net Imports (1907). |
|---|---|---|
| 1. Food, Drink, Fodder, Plants, etc. . . | 5 | 60[1] |
| 2. Raw Material of Industry | 29[2] | 128 |
| 3. Finished Products of Industry . . . | 25 | 7 |

The value, at port of shipment, of *exports* of home produce and manufactures in 1907 equalled 33 per cent. of the value, at place of production, of the net output, and 23 per cent. of the gross output, of the United Kingdom.

[1] "Over 30 % of the food imports consisted of materials to be further worked up in the United Kingdom."

[2] Almost all coal.

The net *imports* equalled 43 per cent. of the net and 30 per cent. of the gross output of the United Kingdom.

### F. Capital, Income, and Savings

| | £ Millions. |
|---|---|
| The Manufacturing Capital of the country (including value of land, buildings and plant, and working capital) in 1907 is estimated at . | 1,400 to 1,600 |
| Wear and Tear and Maintenance of Capital in industry, agriculture, transport, and trade, requires . | 170 to 180 |
| There is available for new capital investments in the United Kingdom . . . . . | 170 to 190 |
| New Investments outside the United Kingdom (largely paid for by exports) are estimated at . | 100 |
| Income from Foreign Investments is estimated at . . . | 140 |
| Income from Shipping and other foreign Services is estimated at . | 100 |

The Total Income of the United Kingdom in 1907 is estimated thus :

| | |
|---|---|
| Goods Consumed or exchanged by classes engaged in production and distribution . . . . . | 1,248 to 1,408 |
| Carry forward, . | 1,248 to 1,408 |

| | £ Millions. |
|---|---|
| Brought forward, . | 1,248 to 1,408 |
| Value of Services exchanged for Goods and other Services (including ownership of houses, etc., railway passenger receipts, postal services, domestic and government services, professional and artistic incomes) . . . | 350 to 400 |
| New Savings and Investments of all classes (including income from foreign investments) . . . | 320 to 350 |
| | 1,918 to 2,158 |
| This confirms previous estimates that the national income was about . . . . . | £2,000,000, |

## APPENDIX IV

### *DISTRIBUTION OF INCOME AND CAPITAL*

Recent estimates of the TOTAL CAPITAL of the UNITED KINGDOM are as follows :—

| | | £ Millions. |
|---|---|---|
| F. W. Hirst, | 1905 | 13,036 |
| ,, | 1909 | 13,986 |
| R. A. Macdonald, | 1900 | 13,500 |
| ,, | 1909 | 15,800 |
| L. G. Chiozza-Money,[1] | 1908 :— | |
| Public Property | 558 | |
| Private Property in United Kingdom | 10,567 | |
| Private Property Abroad | 2,637 | |
| | | 13,762 |
| | 1912 | 15,000 |

Mr Chiozza-Money shows, from the Inland Revenue reports, that, of £300 millions passing at death (in 80,000 separate estates), about two-thirds was left by 4,000 persons.

In the same work, he points out that the amount of gross profits assessed to income-tax—*i.e.* on incomes exceeding £160 per annum—which was

[1] *Riches and Poverty*, 10th edition. Chap. v.

£909 millions in 1908-9, is almost exactly a half of the estimated income of the nation. On this basis, he thus estimates the distribution of the national income as just given :—

| | Number. | Income, £. |
|---|---|---|
| Persons with incomes of over £160 and their families (5 persons) . | 5,500,000 | 909,000,000 |
| Persons with smaller incomes and their families . . . | 39,000,000 | 935,000,000 |
| | 44,500,000 | 1,844,000,000 |

The first line may be divided by separating families having an income over £700. These were 1,400,000 in number, with a total of £634 millions. Thus, of the whole nation, in 1908,

| | £ Millions. |
|---|---|
| 1,400,000 " Rich " persons enjoyed . . | 634 |
| 4,100,000 " Comfortable " persons enjoyed . | 275 |
| 39,000,000 " Poor " persons enjoyed . . | 935 |

A Committee of the British Association on " the amount and distribution of income other than wages below the income-tax exemption limit " reports the following findings (*Statistical Society Journal*, December 1910) :—

| | |
|---|---|
| Number of Occupied persons paying income-tax (est.) . . . . | 800,000 |
| Occupied persons other than manual workers not paying income-tax (professional, shop assistants, etc.) . . | 4,100,000 |

Aggregate Earned Income . . £285 millions
Aggregate Earned and Unearned Income . . . . . 335 „

Dr A. L. Bowley thus estimates the wages of adult male workers when in continuous employment :—

| Wage. | Number of Men. | Percentage. |
|---|---|---|
| Under 15s. | 320,000 | 4 |
| 15s. to 20s. | 640,000 | 8 |
| 20s. to 25s. | 1,600,000 | 20 |
| 25s. to 30s. | 1,680,000 | 21 |
| 30s. to 35s. | 1,680,000 | 21 |
| 35s. to 40s. | 1,040,000 | 13 |
| 40s. to 45s. | 560,000 | 7 |
| Over 45s. | 480,000 | 6 |

Sir George Paish read important papers on "Great Britain's Capital Investments in Individual Colonies and Foreign Countries," before the Royal Statistical Society, in June 1909 and December 1910.

He estimated thus the total amount invested :

Up to the end of 1907 :
In the Colonies and India £1,312 millions
In Foreign Countries . £1,381
——— £2,693 millions
(bringing in an income of £139 millions = 5·2 per cent. per annum)
Added in 1908 . . . . 130 „

Carry forward, £2,823 millions

| | |
|---|---|
| Brought forward, | £2,823 millions |
| Added in 1909 . . . . | 160 „ |
| „ „ 1910 . . . . | 165 „ |
| Net Total of British Foreign Investments, including private business capital, but deducting foreign capital in British companies or loans, probably . . . | £3,500 millions |

About a half of the total is invested in North and South America. After the United States, more capital had been provided to Canada than to any other country (£373 millions, now being increased at the rate of £30 millions yearly, or £40 millions including private business). The Australasian Colonies have absorbed £380 millions (two-thirds of this being Government loans), South Africa £351 millions (a third in mining companies), and India £365 millions (mostly for railways). Argentina has received £269 millions, Brazil £94 millions, Mexico £87 millions, Japan £54 millions, Egypt £44 millions, and Russia £38 millions. Only £7 millions are invested in France, and £6 millions in Germany.

The largest items to the end of 1907 were as follows :

| | Total Amount (£ Millions). | Average Rate of Interest. |
|---|---|---|
| American Railways . . | 600 | 4·5 |
| Colonial and Provincial Government Loans . . . | 375 | 3·71 |

| | Total Amount (£ Millions). | Average Rate of Interest. |
|---|---|---|
| Foreign Railways . . . | 286 | 4·7 |
| Colonial „ . . | 189 | 4·0 |
| Financial, Land, Investment | 187 | 3·3 |
| Gold Mines . . . . | 161 | 9·3 |

More than half of the new capital added in 1908-10 went for railway purposes.

Sir George Paish concluded that "the great increase which British investors are deriving from their investments in other lands is small in comparison with the total income they may ultimately derive." The amount of new investment is now about equal to the amount of interest accruing. Appreciation of property in one direction at least equals depreciation in another. In the above calculations, all foreign loan capital not now bearing interest is excluded.

In addition to the income from these sources, there is that due for shipping, financial, brokerage and other services, and tourist traffic. Probably the total income due from abroad is thus £300 millions a year; and, as the trade balance is only £140 millions, a sum of £160 millions is left for reinvestment.

# APPENDIX V

## *INTERNATIONAL COMMERCE*

### A. The Ebb and Flow of Foreign Trade

### Total Exports and Re-Exports

(*Years of increase on right side, of decrease on left, of each column.*)

| Years | £ Millions. | Years | £ Millions. |
|---|---|---|---|
| 1854 | 115 | 1872 | 314 |
| 1855 | 116 | 1873 | 311 |
| 1856 | 139 | 1874 | 297 |
| 1857 | 146 | 1875 | 281 |
| 1858 | 139 | 1876 | 256 |
| 1859 | 155 | 1877 | 252 |
| 1860 | 164 | 1878 | 245 |
| 1861 | 159 | 1879 | 248 |
| 1862 | 166 | 1880 | 286 |
| 1863 | 196 | 1881 | 297 |
| 1864 | 212 | 1882 | 306 |
| 1865 | 218 | 1883 | 305 |
| 1866 | 238 | 1884 | 296 |
| 1867 | 225 | 1885 | 271 |
| 1868 | 227 | 1886 | 268 |
| 1869 | 237 | 1887 | 280 |
| 1870 | 244 | 1888 | 298 |
| 1871 | 283 | 1889 | 314 |

| Years | £ Millions. | Years | £ Millions. |
|---|---|---|---|
| 1890 | 328 | 1902 | 349 |
| 1891 | 309 | 1903 | 360 |
| 1892 | 291 | 1904 | 371 |
| 1893 | 277 | 1905 | 407 |
| 1894 | 273 | 1906 | 460 |
| 1895 | 285 | 1907 | 517 |
| 1896 | 296 | 1908 | 456 |
| 1897 | 294 | 1909 | 469 |
| 1898 | 294 | 1910 | 534 |
| 1899 | 329 | 1911 | 556 |
| 1900 | 354 | 1912 | 599 |
| 1901 | 347 | | |

## B. The Trade Rivals

### *Exports of Domestic Produce*

(in £ Millions)

| | Average. | | | | | Exports of Mfrs. Average per Head 1909-11. |
|---|---|---|---|---|---|---|
| | 1880-1884. | 1896-1900. | 1909. | 1911. | 1913. | |
| United Kingdom | 234 | 249[1] | 378 | 454 | 525 | £7 8 9 |
| United States | 166 | 237 | 354 | 428 | 510 | 1 15 5 |
| Germany | 156 | 192 | 324 | 398 | 495 | 3 15 5 |
| France | 138 | 150 | 228 | 246 | 275 | 3 3 11 |

[1] Before 1899, the export of ships, boats, and their machinery—about £9 millions in that year—was not included.

## C. Britain's Best Customers

(in £ Millions)

| Exports (British Produce) to | Annual Averages. | | | | |
|---|---|---|---|---|---|
| | 1885-89 | 1890-94 | 1895-99 | 1905 | 1911 |
| British India . | 31 | 30 | 28 | 40 | 52 |
| United States . | 28 | 26 | 20 | 24 | 27 |
| Australasia . . | 23 | 20 | 21 | 23 | 40 |
| Germany . . | 16 | 18 | 22 | 30 | 39 |
| France . . | 15 | 15 | 15 | 17 | 26 |
| Holland . . | 9 | 9 | 8 | 13 | 18 |
| Total to— | | | | | |
| Foreign Countries | 147 | 156 | 158 | 216 | 297 |
| British Possessions | 79 | 78 | 81 | 113 | 156 |

| Imports from | Annual Averages. | | | | |
|---|---|---|---|---|---|
| | 1885-89 | 1890-94 | 1895-99 | 1905 | 1911 |
| United States . | 85 | 98 | 110 | 115 | 124 |
| France . . . | 39 | 44 | 51 | 54 | 51 |
| British India . | 33 | 30 | 26 | 36 | 45 |
| Australasia . . . | 24 | 30 | 31 | 40 | 57 |
| Germany . . | 25 | 26 | 27 | 35 | 43 |
| Russia . . . | 20 | 21 | 21 | 33 | 41 |
| Total from— . | | | | | |
| Foreign Countries . | 293 | 322 | 355 | 437 | 508 |
| British Possessions | 87 | 96 | 97 | 127 | 171 |

# APPENDIX VI

## *WAGES AND PRICES*

### A. Prices of 45 Commodities

(*Sauerbeck's Average Index Numbers*)

(1868-77 = 100)

| | | | |
|---|---|---|---|
| 1818–1827 | 111 | 1893–1902 | 66 |
| 1828–1837 | 93 | 1894–1903 | 66 |
| 1838–1847 | 93 | 1895–1904 | 67 |
| 1848–1857 | 89 | 1896–1905 | 68 |
| 1858–1867 | 99 | 1897–1906 | 70 |
| 1868–1877 | 100 | 1898–1907 | 71 |
| 1878–1887 | 79 | 1899–1908 | 72 |
| 1888–1897 | 67 | 1900–1909 | 73 |
| 1898–1907 | 67 | 1901–1910 | 73 |

### B. Purchasing Power of £1

(Value of a sovereign measured by its capacity to purchase quantities of 23 selected articles of food.—Labour Depart., Board of Trade)

| Year. | s. | d. | Year. | s. | d. |
|---|---|---|---|---|---|
| 1895 | 20 | 0 | 1904 | 18 | 0 |
| 1896 | 20 | 0 | 1905 | 17 | 11 |
| 1897 | 19 | 3 | 1906 | 18 | 0 |
| 1898 | 18 | 6 | 1907 | 17 | 7 |
| 1899 | 19 | 4 | 1908 | 17 | 2 |
| 1900 | 18 | 5 | 1909 | 17 | 3 |
| 1901 | 18 | 4 | 1910 | 16 | 11 |
| 1902 | 18 | 3 | 1911 | 17 | 0 |
| 1903 | 17 | 11 | 1912 | 16 | 3 |

## C. The Course of Wages

### *Dr A. L. Bowley's Index Numbers*

(The last decade = 100)

| | | | |
|---|---|---|---|
| 1780–1790 | 40 | 1840–1850 | 60 |
| 1790–1800 | 45–50 | 1850–1860 | 65 |
| 1800–1810 | 55–65 | 1860–1870 | 75 |
| 1810–1820 | 65–70 | 1870–1880 | 95 |
| 1820–1830 | 65 | 1880–1890 | 90 |
| 1830–1840 | 60 | 1890–1899 | 100 |

"Wages generally increased from 50 to 100 per cent. between 1780 and the Battle of Waterloo, and at one time during the war period they reached a very high point indeed. Some trades were able, chiefly through their trade unions, to maintain the pecuniary advantage gained, and in that case their wages are not even now (1900) greatly above the rate then prevailing. Retail prices of necessities are, however, very different. . . . Materials are very plentiful for the period 1830-40, chiefly because the prolonged depression of that decade caused so large a number of writers to turn their attention to the condition of the wage-earners. In the period 1830-60, wages in the cotton industry increased about 2s. on 10s., although there was a falling-off until 1845-6. Building trades and town artisans did not improve their earnings by so large a percentage. The wages of seamen increased over 10 per cent. between 1840 and 1860. The average increase for compositors was 10 per cent.; wages of agricultural labourers increased from 10s. to 11s. 7d., and those of miners diminished. Between 1860 and 1891 increases were very general, and averaged about 35 per cent.; but the increase was not uniform throughout the period, and money and real wages took very different

courses through the stormy period of the 'seventies. Between 1891 and 1898, wages were on the whole stationary, except that they have fluctuated in the mining industry, and that in the building trades their rate of increase has come up to the general average."—*Wages in the United Kingdom* (1900), p. 125.

| | *Money Wages.* (Board of Trade Index, Nos., 1900 = 100.) | *Real Wages.* (Mr G. H. Wood's Average Index-Nos., allowing for Retail Prices, and for Unemployment.) |
|---|---|---|
| 1879 | 83·3 | 121 |
| 1880–4 (Averages.) | 84·9 | 131 |
| 1885–9 (Averages.) | 84·3 | 143 |
| 1890–4 (Averages.) | 90·2 | 157 |
| 1895 | 89·1 | 163 |
| 1896 | 89·9 | 170 |
| 1897 | 90·8 | 170 |
| 1898 | 93·2 | 169 |
| 1899 | 95·3 | 176 |
| 1900 | 100·0 | 179[1] |
| 1901 | 99·0 | 175 |
| 1902 | 97·7 | 170 |
| 1903 | 97·2 | 164 |
| 1904 | 96·6 | 160 |
| 1905 | 97·0 | 163 |
| 1906 | 98·4 | 168 |
| 1907 | 101·7[1] | 170 |
| 1908 | 101·2 | 159 |
| 1909 | 99·9 | 157[2] |
| 1910 | 100·2 | 161 |

[1] Maxima. [2] Minimum since 1893.

## D. Unemployment.

| | |
|---|---|
| From the bad time of | 1862 |
| Employment, as shown by the general unemployed percentage, improved till | 1865 |
| Fell off steadily till | 1868 |
| Improved till | 1872 |
| Fell off gradually till | 1879 |
| Recovered till | 1882 |
| Relapsed again in | 1886 |
| Recovered till | 1890 |
| Relapsed again in | 1893-4 |
| Subject to break of engineering strike in | 1897 |
| Recovered till | 1899 |
| Relapsed during South African War till | 1904 |
| Recovered slightly till | 1906 |
| Relapsed again in | 1907-8 |
| Enjoyed great expansion to end of | 1913 |

(See W. H. Beveridge's *Unemployment*, p. 40.)

## E. Wages in the Cotton Trade

(Mr G. H. Wood, in the *Statistical Society Journal*, June 1910.)

Average Index-Numbers.

| | | Factory operatives. | Hand-loom weavers. | All work-people. |
|---|---|---|---|---|
| *Maximum* | 1806–1809 | 122 | 193 | 170 |
| Falling | 1810–1819 | 126 | 148 | 140 |
| Falling | 1820–1829 | 119 | 95 | 105 |
| Falling | 1830–1839 | 115 | 75 | 96 |
| *Minimum* | 1830–1833 | .. | .. | 92 |
| Little change | 1840–1849 | 114 | 75 | 106 |
| Factory *minimum* | 1847–1850 | 110 | 75 | 105 |
| Rising | 1850–1859 | 121 | 75 | 118 |
| Rising | 1860–1869 | 147 | .. | 147 |
| Rise and fall | 1870–1879 | 180 | .. | 180 |
| *Minimum* | 1874–1877 | 187 | .. | 187 |
| *Minimum* | 1878–1881 | 176 | .. | 176 |
| Recovery | 1880–1889 | 185 | .. | 185 |
| Slowly rising | 1890–1899 | 207 | .. | 207 |
| Quick rise | 1900–1906 | 222 | .. | 222 |

Mr Wood says: "Very high wages were obtained in the very early years of the century; a great and rapid fall took place for 25 years; and the high average of 1806 was not again attained until the 'seventies, and probably not until the 'nineties.

"Between 1860 and 1906, the average wage of all employed has advanced from 11s. 7d. to 19s. 7d., or by 69 per cent. Of this advance, about 7 per

cent. (or 10d.) is due to increased rates of pay, and about 13 per cent. (or 1s. 6d.) to the employment of relatively more adults and less children. The remaining 49 per cent. (or 5s. 8d.) is due, therefore, to increased efficiency of operative and machine."

## APPENDIX VII

### Births and Deaths, Wealth and Poverty, in the United Kingdom

| | Per 1,000 of Population. | | | In £ Millions. | | |
|---|---|---|---|---|---|---|
| | Birth-rate. | Death Rate. | Paupers. | Yield of 1d. of Income Tax. | Income Reviewed for Income Tax. | Deposits in P.O. & Trustee Savings Banks. |
| 1871 | 33·8 | 21·5 | 39·3 | 1·6 | 482 | 55 |
| 1881 | 32·5 | 18·7 | 29·0 | 1·9 | 601 | 81 |
| 1891 | 30·4 | 20·0 | 25·3 | 2·2 | 678 | 120 |
| 1901 | 28·0 | 17·1 | 23·6 | 2·5 | 867 | 206 |
| 1906 | 27·0 | 15·7 | 25·7 | 2·6 | 944 | 230 |
| 1907 | 26·3 | 15·5 | 25·2 | 2·7 | 980 | 232 |
| 1908 | 26·6 | 15·3 | 25·2 | 2·7 | 1,010 | 235 |
| 1909 | 25·7 | 15·0 | 25·5 | 2·7 | 1,011 | 241 |
| 1910 | 25·0 | 14·0 | 24·3 | 2·7 | 1,046 | 247 |
| 1911 | 24·4 | 14·8 | 24·0 | .. | .. | 294 |

In the Census of 1911, householders were for the first time required to give information of the fertility of existing marriages; and the student of the population question should refer to these reports. A further return in this Census shows the excessive death-rate among children of women engaged in industry.

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In the effort to keep the following list within bounds, many titles of works, both of general and particular interest, have been omitted. In the first category are the general histories of the period, from Stanhope and Lecky to the *Victoria County Histories*; biographies, memoirs, and correspondence of public men (with a few exceptions), and reference books, from *The Annual Register* and the Parliamentary Debates to the *Encyclopædia Britannica* and the *Statesman's Year-book*. The most summary list of Reports of Royal Commissions and Parliamentary and Departmental Committees, and of other Public Papers, including the statutes and periodical returns, would have been inconveniently long. Some of the most important inquiries and publications have been mentioned in preceding pages, and lists can be obtained of the parliamentary printers and publishers. No mention is made of periodical publications, important as are some working-class journals, in particular. The *Economic Journal* and *Review*, the *Statistical Society's Journal*, the *Economist* and the *Sociological Review*, the *Annals of the American Academy*, and the *Quarterly Journal of Economics*, abound in valuable material, as do the reports of the Trade Union, Co-operative, Social Science, Public Health, and other Congresses.

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